

250363

2014-184-C

Deborah.Easterling

From: contact@psc.sc.gov
Sent: Tuesday, April 22, 2014 9:38 AM
To: PSC_Contact; tia@servprolexingtonsc.com
Subject: Formal Complaint - Tia Williams
Attachments: attachment.pdf

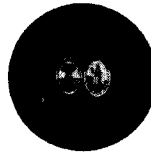
PLEASE DO NOT REPLY TO THIS MESSAGE.

This email message is an auto response email and was sent from an address that is not checked. To contact us with an issue or suggestion, please visit <http://www.psc.sc.gov/>.

RECEIVED

APR 22 2014

ASST. DIR.
MAIL / DMS



Date: 4/22/2014

Complaint Form

Complainant or Legal Representative Information:

Name Tia Williams
Firm (if applicable) SERVPRO
Mailing Address 1831 Pine Street
City, State Zip West Columbia SC 29170 Phone 8037559774
E-mail tia@servprolexingtonsc.com

Name of Utility Involved in Complaint: Spirit Communications

NOTE: If AT&T is the utility involved, please complete the attachment located at the end of this form.

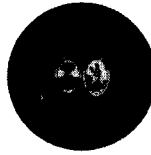
Type of Complaint (check appropriate box below)

- ☐ Billing Error/Adjustments
- ☐ Meter Issue
- ☐ Payment Arrangements
- ☐ Deposits and Credit Establishment
- ☒ Service Issue
- ☐ Disconnection of Service Water Quality
- ☐ Wrong Rate
- ☐ Line Extension Issue
- ☐ Refusal to Connect Service
- ☐ Other (be specific)

Have you contacted the Office of Regulatory Staff (ORS)? ☒ Yes ☐ No

Name of ORS Contact: Takisha Anderson

Concise Statement of Facts/Complaint:



Date: 4/22/2014

I have attached the statement with details of our complaint. Since writing this complaint in March we have continued to experience internet issues almost daily. I've also attached the response Spirit Communications sent to ORS, which states that the bulk of our internet issues were caused by viruses on our server. After having out outside technician not affiliated with Spirit look at the problem, he determined that the signal on Spirit's terminal was weak and was the cause of our dropped internet (not the viruses). The viruses have since been eliminated and we continue to experience slow and dropped internet daily.

We experienced significant phone issues a couple of months ago during a peak period in our business. Since then our business has slowed down, but we anticipate that we will have similar issues with the phone during our busy summer season and need to switch providers asap to prevent future problems. Specifically, transferring phones continuously presents problems under Spirit's system. It is 100% necessary for us to be able to transfer phones quickly and seamlessly during busy times to be able to instantly respond to our customers. In the attached complaint, I explain that the previous transfer issue cost us hundreds in answering service fees and significantly slowed down our production response due to inability to communicate with our customers. We are also held to response time requirements by our insurance vendors and can lose our accounts if response requirements are not met. These accounts make up 40% of our regular volume and can seriously threaten our operation if terminated.

Relief Requested:

We need to discontinue our contract immediately in order to utilize a reliable phone and internet system.

		VERIFICATION	Internal Use Only	
STATE OF SOUTH CAROLINA)		Processed By	Date
)			
COUNTY OF)			
Lexington)	H.E.		
I, Tia Williams				
		verify that I have read my complaint filed on	4/22/2014	
and know the contents thereof, and that said contents are true. Tia Williams				



Date: 4/22/2014

Attachment to Complaint Form

Complete this page **only** if your complaint involves AT&T.

1. Was your AT&T service activated after September 30, 2009?

☐ Yes ☐ No

2. Does your bill from AT&T include monthly charges for any of the following services?



FIRE & WATER- CLEANUP & RESTORATION

SERVPRO OF EASTERN SOUTH CAROLINA

SERVPRO OF CAYCE/ WEST COLUMBIA

SERVPRO OF LEXINGTON

1831 PINE STREET

WEST COLUMBIA SC 29170

PHONE #803-755-9774

FAX # 803-755-0072

SEND TO: <i>Public Service Comm.</i>	FROM: <i>Tia Williams</i>
ATTENTION:	DATE: <i>3/17/14 4/22/14</i>
FAX#: <i>896-5199</i>	PH#: 803-755-9774

REPLY ASAP ☐ PLEASE REVIEW ☐ FOR YOUR INFORMATION ☐

TOTAL PAGES, INCLUDING COVER SHEET:

COMMENTS:

we are resending this complaint after the issue was unresolved w/ the ORS + Spirit. when I tried to send the complaint online it again said "could not send by email". I wasn't able to download the PDF to fill out the form because it said I needed to upgrade to the latest version of Adobe. it still didn't work after I upgraded (all of the other pdfs on the page worked fine). I'm sending the original complaint form with an update on our service issues since first submitting in march. immediate attention to this matter is greatly appreciated.



RECEIVED

2014 APR 25 AM 10:55

Print

Date: April 22
March 17, 2014

Complaint Form

Complainant or Legal Representative Information:

* Required Fields

Name * Tia Williams (Owner)

Firm (if applicable) Servpro of Lexington

Mailing Address * 1831 Pine Street

City, State Zip * West Columbia, SC 29170 Phone * 803-755-9774

E-mail * tia@servprolexingtonsc.com

Name of Utility Involved in Complaint: * Spirit Communications

NOTE: If AT&T is the utility involved, please complete the attachment located at the end of this form.

Type of Complaint (check appropriate box below.) *

- | | | | |
|--|--|--|---|
| <input type="checkbox"/> Billing Error/Adjustments | <input type="checkbox"/> Deposits and Credit Establishment | <input type="checkbox"/> Wrong Rate | <input type="checkbox"/> Refusal to Connect Service |
| <input type="checkbox"/> Disconnection of Service | <input type="checkbox"/> Payment Arrangements | <input type="checkbox"/> Water Quality | <input type="checkbox"/> Line Extension Issue |
| <input checked="" type="checkbox"/> Service Issue | <input type="checkbox"/> Meter Issue | | |
| <input type="checkbox"/> Other (be specific) _____ | | | |

Have you contacted the Office of Regulatory Staff (ORS)? * ☐ Yes ☒ No Name of ORS Contact: _____

Concise Statement of Facts/Complaint: * (This section must be completed. Attach additional information to this page if necessary.)

See attached ~~Letter~~ explanation for internet form + more detailed complaint
(2 attachments)

Relief Requested: * (This section must be completed. Attach additional information to this page if necessary.)

We would like to get out of our entire contract with Spirit, both phone and Internet, as soon as possible.

STATE OF SOUTH CAROLINA)

VERIFICATION

COUNTY OF Lexington)

I, Tia Williams
Complainant's Name *

verify that I have read my complaint filed on

4/22/14
03/17/2014
Date *

and know the contents thereof, and that said contents are true.

[Signature]
Complainant's Signature *

Internal Use Only

Processed By	Date
H.E.	



Attachment to Complaint Form

Complete this page **only** if your complaint involves AT&T.

1. Was your AT&T service activated after September 30, 2009?

☐ YES ☐ NO

2. Does your bill from AT&T include monthly charges for any of the following services?

- ☐ AT&T Internet Access Service (dial-up or DSL)
- ☐ AT&T Wireless Service
- ☐ AT&T U-verse Service
- ☐ Caller ID
- ☐ Complete Choice
- ☐ Preferred Pack
- ☐ Long distance service provided by any AT&T company

- Home

- Forms

Formal Complaint

- Could not send by email.

Date

4/22/2014

Name

Tia Williams

Firm (if applicable)

SERVPRO

Mailing Address

1831 Pine Str

City

West Columbia

State

SC

Zip

29170

Phone

8037559774

E-mail

tia@servprole

Name of Utility Involved in Complaint

Spirit Commun

NOTE: If AT&T is the utility involved, please complete the attachment located at the end of this form.

Type of Complaint (check appropriate box below.)

Explanation of complaint on internet form

I have attached the statement with details of our complaint. Since writing this complaint in March we have continued to experience internet issues almost daily. I've also attached the response Spirit Communications sent to ORS, which states that the bulk of our internet issues were caused by viruses on our server. After having out outside technician not affiliated with Spirit look at the problem, he determined that the signal on Spirit's terminal was weak and was the cause of our dropped internet (not the viruses). The viruses have since been eliminated and we continue to experience slow and dropped internet daily.

We experienced significant phone issues a couple of months ago during a peak period in our business. Since then our business has slowed down, but we anticipate that we will have similar issues with the phone during our busy summer season and need to switch providers asap to prevent future problems. Specifically, transferring phones continuously presents problems under Spirit's system. It is 100% necessary for us to be able to transfer phones quickly and seamlessly during busy times to be able to instantly respond to our customers. In the attached complaint, I explain that the previous transfer issue cost us hundreds in answering service fees and significantly slowed down our production response due to inability to communicate with our customers. We are also held to response time requirements by our insurance vendors and can lose our accounts if response requirements are not met. These accounts make up 40% of our regular volume and can seriously threaten our operation if terminated.

Explanation of Service Issues (Detailed)

We have had continuous service issues with Spirit Communications for both the phone and internet. Since we are a 24/hr emergency service small business, we emphasized at the time of sign-up that reliability of both of these services are extremely important. From the beginning we had issues with our phone lines ringing busy or not rolling over like they were supposed to, which is critical in our business because our national and corporate partners require a live response to customer calls 24 hours a day (see attached account guidelines). We would then need to put a ticket in to resolve the issue. The wait time to have the issue resolved was usually several hours or days, which our customers had to result to hanging up or calling our cell phones as the only way to communicate with us.

Specifically, we've had issues with transferring phones to and from the answering service. With past providers, we would only need to dial a *# combination to transfer to the answering service. However, Spirit requires us to call to place a ticket to have the phones transferred during non-regular hours (holidays, etc). There have been at least 2 separate occurrences of problems due to this system. Last Thanksgiving, I learned that the phones did not transfer the Wednesday evening that my admin assistant called to transfer. We didn't realize the phones weren't being answered until I went by the office to send a quick email Thanksgiving morning and heard the phones ringing. I immediately called Spirit and they told me that they did have record of her calling to place the ticket but weren't sure why the phones never transferred. I ended up staying at the office and delaying family plans because it took most of the rest of the afternoon for the phones to get transferred correctly.

On a more costly occurrence, we weren't able to get the phones transferred back from the answering service to our office during the second January freeze. Our technicians receive a page every time a water damage is reported from the answering service. They were out working in the field one evening while dozens of job assignments came in. In those situations we come in the office and start answering the phones so we can quickly dispatch crews and collect information from the customers. We called Spirit to transfer the phones back to the office but they had an issue doing so and weren't able to transfer the phones for about four hours. By that time our normal monthly bill for the answering service doubled due to the answering service's 'per call charge'. I have attached that bill to this form as evidence.

More recently we've had significant internet issues. Our internet suddenly dropped to a slow crawl and then complete halt around the beginning of February. We called Spirit to try to fix the issue and were told on multiple occasions that everything looks fine on their end and that there was nothing they could do for us. We paid an IT professional to do a scope and he told us that everything looked fine. He went ahead and replaced our router just as a courtesy. The internet improved slightly for about a day and then was quickly out again. We called Spirit again and they told us they wouldn't be able to help us identify the issue. It wasn't until I threatened to switch providers that they sent an IT person to our office. He determined that we had viruses on our computers that were using up our data and causing the slow signal. He charged us \$625 to clean the computers. The internet has gotten slightly better but still remains slower than normal. We called another IT professional to check everything out and he said that our signal is transmitting out of the building the way it is supposed to, but the slowdown is taking

place once it reaches Spirit's data center. He said he's had other customers who also use Spirit who have had the same problem recently.

We don't want to waste any more time working with Spirit on these issues. After being without internet over a week (having to pay our employees to work from home or ask them to take vacation days) and having problems with basic phone functions we need to switch to a more reliable carrier. We were customers of Time Warner for years and never had the service issues we have now. The few times our internet would go out, they would have someone personally visit our office within a short period of time. As a small business we can't go weeks without assistance from our provider if a problem is to arrive.

Since we've switched to Spirit 6 months ago, we've already called in probably close to a hundred tickets for other smaller issues with service I haven't mentioned in this write up. We can request the call records and provide that as well if it helps our case. However, Spirit charges \$125 an hour just to get our phone records so we will only request them if it is really needed.

Thank you for your attention to this matter.



March 8th, 2014

Ms. Takisha Anderson
SC Office or Regulatory Staff
1401 Main Street, Suite 900
Columbia, SC 29210

Via e-mail at tanderson@regstaff.sc.gov

Subject: ServPro Complaint

Dear Ms. Anderson,

I'm writing to you in response to a customer complaint submitted against Spirit Communications by ServPro of West Columbia, SC, dated March 17th, 2014. Enclosed please find Spirit Communications' ("Spirit") facts regarding this complaint:

1. Spirit's Customer of Record in this Transaction is ServPro of Greenwood, SC (the "Customer").
2. The Customer signed a thirty six (36) month agreement with Spirit on 12/18/2012 (see Exhibit 1 attached).
3. Services provided include a Hosted bundle service, including 1.5Mb internet services with four IP Centrex seats at one customer location at 1831 Pine Road, West Columbia, SC 29170.
4. The total monthly recurring charge for all services to all locations was \$374.23, for a total contract value of \$13,472.28.
5. There were a total of fifteen customer troubles called into Spirit's Network Operations Center for this customer. See Exhibit 2 attached.
6. From the "Work Log" in Exhibit 2, each of the troubles is summarized as follows:
 - 12/3/13: Customer's schedule for after-hours call handling was not working. Trouble was identified, the Broadsoft switch was reconfigured accordingly, and the ticket was closed.
 - 12/26/13: Customer's circuit was "bouncing" which means the circuit is not down, but it is experiencing trouble affecting customer's experience. Trouble was identified, a loopback mode was removed from T-1 facility, and the ticket was closed.
 - 2/13/14: Customer requested a change in call forwarding for night service. Spirit implemented the change and the trouble ticket was closed.
 - 2/19/14, 3/3/14, and 3/4/14: These three troubles related to the same T1 circuit (circuit ID TDM.4000839..SPC). Customer reported the service down, but testing indicated sporadic activity. Troubles identified to viruses on Customer Premise Equipment (CPE).
 - 8/28/13: Customer reported that lines were not rolling properly. Spirit isolated the problem to an

incorrect ordering issue, the service was updated, and the issue was resolved.

- 8/29/13: Customer reported a problem of no dial tone on a fax line. Spirit isolated the trouble to an AT&T copper loop, AT&T was notified, AT&T repaired the facility, and the trouble was closed.

- 8/30/13: Customer reported a "Feature Change" problem related to Selective Call Forwarding. Spirit added Selective Call Forwarding for the customer and closed the ticket.

- 9/3/13: Customer reported a "Feature Change" problem related to Call Forwarding, associated with the problem immediately above.

- 10/24/13: Customer reported a "Feature Change" problem related to Call Forwarding No Answer. Spirit added the Call Forwarding No Answer feature requested by the Customer and closed the ticket.

- 10/28/13: Customer reported a "Feature Change" problem related to the Caller ID not being correct. Spirit changed to Caller ID for the customer and closed the ticket.

- 1/7/14: Customer reported a "Feature Change" problem related to Call Forwarding. Spirit added the Call Forwarding request for the customer and closed the ticket.

- 3/19/14: Customer's circuit was "bouncing" which means the circuit is not down, but it is experiencing trouble affecting customer's experience. Trouble was identified as a bad cable, the cable was repaired/replaced, and the ticket was closed.

- 4/4/14: Customer's circuit was "bouncing." While the circuit is not down, it is experiencing trouble affecting customer's experience. Trouble was identified as an AT&T loop issue, the trouble was referred to AT&T for repair, AT&T repaired the circuit, and the ticket was closed.

7. In summary:

- i. There were a total of 15 recorded troubles for ServPro. The customer experienced only two minor troubles within the first two months of Spirit installing its service (i.e. from service turn-up through the first trouble recorded on 12/3/13, through the date of the second trouble on 12-26-13). Troubles shortly after service turn-up are not atypical of a newly converted or installed service. The service remained trouble free for the next eight months (i.e. through 8/28/13).
- ii. Of the remaining 13 troubles, a total of five troubles were related to Feature Changes. Feature Changes, while extremely inconvenient, frequently occur as a result of frequent customer change requests (i.e. the Feature Change troubles occurred on 8/30/13, 9/3/13, 10/24/13, 10/28/13, and 1/7/14).
- iii. Of the remaining eight troubles, three troubles were isolated to be Customer Premise Equipment (CPE), No Trouble Found (NTF), or the result of CPE viruses (i.e. troubles from 2/19/14, 3/3/14, and 3/4/14); and one was determined to be the result of an AT&T loop (i.e. trouble from 4/4/14). While Spirit manages these types of troubles, they are under the control of other entities and not representative of Spirit's quality of service.
- iv. That leaves four remaining troubles representing the bulk of the Customer's complaint against Spirit (i.e. troubles from 2/13/14, 8/28/13, 8/29/13, and 3/19/14). While regrettable and extremely inconvenient for the Customer, four outages of significance over the course of 15 months are not unreasonable within the telecommunications industry, especially in light of the

combination of switched and dedicated services purchased by the Customer.

8. Regarding the customer's complaint regarding Spirit's services:
- i. Spirit does not agree with customer's assessment of "continuous service issues with Spirit Communications for both the phone and internet." Exhibit 2 reveals 15 trouble calls in a 15 month period, with four of the 15 trouble calls occurring for reasons beyond Spirit's control.
 - ii. The Customer reported that its internet service appeared to slow to a crawl. Spirit's testing and customer's independent testing verified troubles with virus's resident within customer's equipment. While Spirit appreciates the negative impact a virus will have on data transfer rates, Spirit can only troubleshoot and control problems resident within the services it offers. In this instance, CPE issues are outside of the scope of the services offered by Spirit.
9. Based on this customer's experience, Spirit believes any attempt by the customer to terminate the contract in advance of full expiration of the 36 month term is unwarranted and represents a breach of contract.

Spirit prides itself in its customer service capabilities and we're extremely disappointed that the Customer believes we have not met its particular service needs. Spirit regrets any customer impacting problems, but does not agree that the extent of issues presented by the Customer represents an anomaly within this industry. Spirit intends to continue to work with ServPro so that both Parties can fulfill all remaining contractual obligations. Thank you for your time and consideration and I look forward to speaking with you soon.

Sincerely,

/Michael D. Baldwin/

Michael D. Baldwin

Senior Counsel, Business & Legal Affairs
Spirit Communications
1500 Hampton Street
Columbia, SC 29201
803-726-4053
mike.baldwin@spiritcom.com

EXHIBIT 1



NOTICE IS HEREBY GIVEN THAT THIS AGREEMENT IS SUBJECT TO ARBITRATION PURSUANT TO CHAPTER 48 OF TITLE 15(15-48-10, ET SEQ.) OF THE SOUTH CAROLINA CODE OF LAWS, 1976, AS AMENDED.

Spirit Communications Master Service Agreement

This Master Services Agreement (the "Agreement") is made as of this 18 day of December, 2012 (the "Effective Date") by and between South Carolina Telecommunications Group Holdings LLC, d/t/a Spirit Communications ("Spirit"), a South Carolina limited liability company; and SERVPRO ("Customer" or "Purchaser"). Spirit and Purchaser are at times collectively referred to hereinafter as the "Parties" or individually as the "Party."

WHEREAS, Spirit is in the business of providing enhanced broadband services and other communications services (hereinafter collectively referred to as "Services"); and

WHEREAS, Customer desires to purchase certain Services on the terms and conditions hereinafter provided.

NOW, THEREFORE, in consideration of the promises and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

- 1.1 **Service.** Spirit agrees to provide to Customer and Customer agrees to purchase from Spirit the Service(s) specified in, incorporated by reference and attached hereto as **Exhibit A**. Said Exhibit may be amended from time to time to include additional Services. As an accommodation to Customer and without liability on the part of Spirit related thereto, Spirit may arrange for Customer capacity which is outside points of presence owned, controlled, or through interstate interconnection or similar agreement sold by Spirit ("Off-Net Service"). As used in this Agreement, the term "Service" shall not include Off-Net Service unless the term "Off-Net Service" is expressly used.
- 2.1 **Term.** This Agreement shall be effective as of the Effective Date. The initial term (the "Term") of this Agreement shall be as stated in **Exhibit A**. However, after the termination of this Agreement, its terms and conditions shall survive and govern with respect to any remaining Service(s) in effect until their termination in accordance with any attachment hereto. Upon the expiration of the Term, so long as the Customer is not in default hereunder beyond any applicable cure period, this Agreement shall continue on a month-to-month basis unless and until either an amendment is executed by the Parties further extending the Term, or either Party terminates this Agreement upon thirty (30) days written notice, however the terms or conditions for the Services and/or the prices may not remain the same.
- 3.1 **Rates and Charges.** Customer shall pay to Spirit the nonrecurring and recurring charges for the Services specified in **Exhibit A**. In addition, Customer shall be liable for and agrees to pay all recurring fees based upon usage as well as Spirit's costs and service charges related to Off-Net Service. Spirit will commence billing to Customer upon installation of the Service (the "Service Commencement Date"). Upon notice to the Customer that the Service is installed, Customer shall have a period of seventy-two (72) hours to confirm that the Service is functioning properly. Unless Customer delivers written notice to Spirit within such seventy-two (72) hour period that the Service is not functioning in accordance with **Exhibit A**, billing shall begin regardless of whether Customer is otherwise prepared to accept delivery of the ordered Service. In the event that Customer notifies Spirit within the time period stated above that the Service is not installed and functioning properly Spirit shall correct any deficiencies in the Service and deliver a new notice to Customer, after which the process stated herein shall be repeated. Unless otherwise specified in **Exhibit A**, non-recurring charges shall be invoiced by Spirit to Customer with an effective date of the Service Commencement Date. If Customer requests and Spirit approves, in its sole discretion, any changes to **Exhibit A**, after

acceptance by Spirit, including, without limitation, a change in the Customer's requested Service Commencement Date, additional charges not set forth in Exhibit A may apply. If any of the information provided by Customer used in calculating the rates and terms stated in Exhibit A is determined to be inaccurate, the rates and terms in Exhibit A will be adjusted to reflect the accurate information.

- 3.2 Payments. Invoices are delivered monthly. Spirit bills in advance for Service to be provided during the upcoming month, except for charges that are dependent upon usage of Service, which are billed in arrears. Customer shall make all payments payable hereunder within thirty (30) days after receipt of Spirit's invoice to the address stated on the applicable invoice. Notwithstanding the foregoing, Off-Net charges may be invoiced to Customer directly by the provider thereof, and Customer shall pay same according to the terms of such invoice.
- 3.3 Interest Charges. If any amount due under this Agreement is not received by the due date, that past due amount shall bear interest at the rate of 1.5% per month, or the highest rate legally permissible, beginning from the date first due until paid in full. Notwithstanding any provision or inference to the contrary, no payment due under this Agreement is subject to reduction, set-off or adjustment of any nature by Customer. In no event shall the malfunction or non-operation of Customer's interconnection facilities (including local access) relieve Customer of its obligation to pay for the Service or Off-Net Service.
- 3.4 Disputed Invoices. If Customer reasonably wishes to dispute any portion of a Spirit invoice, Customer must pay the undisputed portion of the invoice and submit written notice of the claim with sufficient detail including but not limited to: (a) the items on the invoices in dispute; (b) the nature of the dispute; (c) documentation of Customer filing a trouble report, including the Spirit ticket number or order number and (d) any other relevant information reasonably requested by Spirit with respect to the affected Service(s) or the disputed amount. All claims must be submitted to Spirit in writing within thirty (30) days from the date of the invoice for those Services or they are waived. Notwithstanding the foregoing, disputes or requests for billing adjustments as to Off-Net charges shall be handled as directed by the provider of the subject Off-Net Services.
- 3.5 Taxes and Fees. In addition to charges, Customer shall pay any applicable taxes (other than general income taxes), license fees or surcharges however designated, imposed, incident to, or based upon the provision, sale or use of the Service or Off-Net Service, whether charged to or against Spirit or Customer, or legally required to be collected by Spirit, or are passed through from any provider of Off-Net Service or other third party, as well as any other imposition by any governmental authority, including, but not limited to, franchise fees, duties, and similar liabilities charged to or against Spirit, Customer, or any provider of Off-Net Service which have the effect of increasing the cost of providing the Service or arranging for or providing Off-Net Service. If Customer is entitled to an exemption from any applicable taxes or fees for a particular Service, Customer is responsible for presenting Spirit with a valid exemption certificate in a form reasonably acceptable to Spirit in advance. Spirit will give effect to any such valid exemption certificate on a prospective basis from the date of Spirit's receipt of such exemption certificate.
- 3.6 Regulatory and Legal Changes. In the event of any change in applicable law, regulation, decision, rule or order that materially increases the costs or changes other terms with respect to the Service, Spirit shall notify Customer as soon as practicable. If Customer requests Spirit meet and attempt to mitigate the effects of such change upon Customer, Spirit will do so. The changes, as provided by Spirit will take effect immediately unless the Parties agree otherwise, in writing.
- 3.7 Customer Relocation. Customer agrees to provide sixty (60) days written advance notice to Spirit if Customer desires to move existing Services to different location(s). As Spirit may not provide Services in all locations, moving existing Services may not be possible. Under such circumstances, Customer's request will be treated as a termination of the affected Service(s) and applicable termination charges shall apply. Where Spirit is able to relocate the affected Services, Customer shall enter into an amended Exhibit A and may be subject to disconnection, installation and other applicable charges, including changes in recurring fees.
- 4.1 Purchaser Premises. Where Spirit has equipment in place on a Customer's premises or Customer's end-user's premises, Customer shall allow Spirit access to the premises to the extent reasonably

EXHIBIT A SPIRIT COMMUNICATIONS MASTER SERVICES AGREEMENT

This Exhibit incorporates the terms and conditions as set forth in the Spirit Communications Master Services Agreement between South Carolina Telephone Holdings Group LLC d/b/a Spirit Communications and Customer dated _18_ day of December 2012 (the "Agreement"). Capitalized terms used but not defined herein shall have the meanings set forth in the Agreement.

Customer hereby orders the following Services and Spirit hereby agrees to deliver the following Services, all pursuant to and in accordance with the terms of the Agreement.

1. **SERVICES PROVIDED:** We are providing a Spirit Hosted Select Bundle. We will provide 1 5Mb of dynamic internet with 4 IP Centrex Seats for \$299, 1 copper line for fax for \$25 and includes 1,200 minutes of long distance. SERVPRO is leasing to own 4 Polycom VVX 500 for \$50.23. This is a monthly total of \$374.23. This customer will receive 1 free month.
2. **TERM OF SERVICES:** 36 Months
Unless otherwise stated in this Exhibit A, the term shall commence for each service provided, on the date of installation.
3. **NONRECURRING CHARGES:** Waived for 36 Months Commitment
4. **RECURRING CHARGES:** \$ 374.23
5. **ANY OTHER CHARGES:** All applicable Fees and Taxes
6. **SERVICE ADDRESS:** 125 Wingert Rd Greenwood, SC 29649
7. **SERVICE PARAMETERS:**
 - a) Customer will be responsible for any and all costs associated with providing local access to the building from the nearest point on Spirit Communications' fiber network, the nearest point determined solely by Spirit in its commercially reasonable discretion, including, without limitation, interconnection and entrance facilities, as specified by a pre-installation engineering survey (included as Exhibit X). Implementation intervals and target installation dates are subject to the customer's timely completion of any required entrance facility construction and shall be mutually agreed upon by the Parties.
 - b) The Spirit Network Control Center is staffed 7x24x365 and will maintain a constant view of the managed network. The NCC will provide reactive trouble isolation and resolution on the provided service(s). When a service-affecting event is experienced on the managed link, the Network Analyst on duty will report the event to the customer contact as directed by Customer and take action to resolve the trouble.
 - c) Spirit is responsible for providing escalation and trouble resolution for all loops, network and equipment necessary to provide the required service(s). Spirit is the primary point of contact for all service problems and will provide timely updates to the customer point of contact.
 - d) The Network Analyst will assist in isolating and resolving trouble issues for all services provided including dispatch to the customer premise(s). If on-site maintenance is required from the customer, and the problem is determined to be within the customer's equipment, excluding the Spirit managed equipment; the customer will be billed on a time and materials basis for the dispatch.

Customer shall provide a copy to Mr. Greg Guerra, Executive VP of Spirit of any notice requesting indemnification, damages or termination, or alleging default or force majeure or any other non routine matter.

- 8.20 Authority, Interpretation, Severability and Survival. Each Party warrants and represents that the signatories to this Agreement have full authority to enter into, sign and perform this Agreement on its behalf. This Agreement shall be interpreted to give effect to its fair meaning unless otherwise provided and shall be construed as though it were prepared by Spirit and Customer. Section headings in this Agreement are for convenience of reference only and shall not be used in the interpretation of this Agreement. If any part or any provision of this Agreement other than Section 3.1 above or any other agreement, document, or writing given pursuant to or in connection with this Agreement shall be invalid or unenforceable under applicable law, said part shall be ineffective to the extent of such invalidity only, without in any way affecting the remaining parts or provisions of this Agreement. Spirit and Customer agree to use reasonable efforts to negotiate with respect to any such invalid or unenforceable part or provision to attempt to render such part or provision valid and enforceable. If Section 3.1 above shall be invalid or unenforceable under applicable law, then this Agreement may be terminated by Spirit on notice to Customer. Notwithstanding any provision or inference to the contrary, the indemnification and hold harmless provisions contained in, and any monetary sums owed under this Agreement shall survive the termination of this Agreement.
- 8.21 Governing Law. This Agreement shall be construed and enforced in accordance with, and the validity and performance of this Agreement shall be governed by, the laws of the State of South Carolina, without regard to its choice of laws rules.
- 8.22 Amendment. No amendment or modification of this Agreement, and no waiver under this Agreement, shall be valid or binding unless in writing and duly executed by the Party against whom enforcement of the amendment, modification, or waiver is sought.
- 8.23 Entire Agreement. This Agreement (including its exhibits) constitutes the entire agreement between the Parties with respect to the subject matter of this Agreement; and it supersedes all prior oral and written agreements, commitments, and understandings with respect to said subject matter.
- 8.24 Execution. To facilitate execution, this Agreement may be executed in as many counterparts as may be required; and it shall not be necessary that the signatures of, or on behalf of, a Party, or that the signatures of all persons required to bind a Party, appear on each counterpart. It shall be sufficient that the signature of, or on behalf of, a Party, or that the signatures of the persons required to bind a Party, appear on one or more of the counterparts. All counterparts collectively shall constitute a single agreement. It shall be unnecessary in making proof of this Agreement to produce or account for more than one counterpart containing the respective signatures of, or on behalf of, the Parties.

- 8.13 Acceptable Use Policy. Customer's use of the Service shall comply with Spirit's Acceptable Use Policy and Privacy Policy, which may be amended from time to time. Spirit will notify Customer of complaints received by Spirit regarding each incident of alleged violation of Spirit's Acceptable Use Policy by Customer or third parties that have gained access to the Service through Customer. Customer shall promptly investigate all such complaints and take all necessary actions to remedy any violations. Spirit may advise the complainant that Customer, its end-user or a third party that gained access to the Service through Customer and provide complainant with the necessary information to contact Customer directly to resolve the complaint. Customer shall identify a representative for the purposes of receiving such communications. Serious violations of Spirit's or other carriers' Acceptable Use Policy may result in interruption or termination of service.
- 8.14 Data Protection. During the performance of this Agreement, it may be necessary for Spirit to transfer, process and store billing and utilization data and other data necessary for Spirit's operation of its network and for the performance of its obligations under this Agreement. The transfer, processing and storing of such data may be to or from the United States. Customer hereby consents that Spirit may (i) transfer, store and process such data in the United States; and (ii) use such data for its own internal purposes and as allowed by law. Spirit herewith agrees that this data will not be disclosed to third parties without the knowledge and consent of Customer.
- 8.15 Assignment. Except as otherwise provided herein, neither party may delegate, assign or otherwise transfer any or all of its rights or duties pursuant to this Agreement, without the prior written consent of the other, such consent to not be unreasonably withheld.
- 8.16 Publicity. Customer may advise its end users that certain Service is provided and Off-Net Service is arranged, to the extent applicable, by Spirit in connection with the services which Customer furnishes to its end users; however, Customer shall not represent that Spirit and Customer are partners or joint venturers. Spirit may list Customer on its customer list and describe in general the service it provides.
- 8.17 Confidentiality. The provisions of this Agreement are considered proprietary and confidential by Spirit and Customer, and as such neither Spirit nor Customer shall release same or any of the terms of this Agreement to third parties except as may be expressly permitted by this Agreement or any Mutual Nondisclosure Agreement between the parties.
- 8.18 Order of Precedence. In the event of any ambiguity and/or inconsistency between this Agreement and any Law applicable to the Service or Off-Net Service, the following descending order of precedence will control: (a) said Law; (b) this Agreement, together with any amendments thereof and exhibits.
- 8.19 Notices. Except as otherwise required herein, all notices, demands, requests, or other communications which may be or are required to be given, served, or sent by Spirit or Customer to the other pursuant to this Agreement shall be in writing and shall be mailed by first-class, registered or certified mail, return receipt requested, postage prepaid; transmitted by hand delivery; delivered by a national overnight delivery service; by email or fax with a return receipt and addressed as follows:

(i) If to Spirit:

 Spirit Communications
 1500 Hampton Street, Suite 101
 Columbia, SC 29201
 Customer Service: 800.686.7671
 NCC: 1888.864.7226
customercare@spiritelecom.com

(ii) If to Purchaser:

 SERVPRO
 125 Wingert Rd
 Greenwood, SC 29649

From time to time, Spirit and Purchaser each may designate by notice in writing any new address to which any notice, demand, request, or other communication to it thereafter shall be given, served, or sent. All such notices shall be deemed to have been given on (i) the date delivered if delivered personally, (ii) the business day after dispatch if sent by overnight courier, (iii) the third business day after posting if sent by U.S. Postal Service, or (iv) when the email or fax return receipt is received.

termination shall not affect any remaining Services and shall not constitute a termination of this Agreement unless all Service is terminated. Unless waived by the Off-Net Service Provider, Customer shall be liable for any Off-Net Service termination fees that may be applicable.

- 8.8 No License. No license, under patents or otherwise, is granted by Spirit to Customer or shall be implied or arise by estoppel in Customer's favor with respect to any circuit, apparatus, system or method used by Spirit in connection with any Service or Off-Net Service. No license, under patents or otherwise, is granted by Customer to Spirit or shall be implied or arise by estoppel in Spirit's favor with respect to any circuit, apparatus, system or method used by Customer in connection with this Agreement.
- 8.9 Scope of Service and Off-Net Services. Notwithstanding any provision or inference to the contrary, this Agreement applies only to the Service and Off-Net Service provided or arranged, as the case may be, to, and shall not serve as a substitute for offerings by Customer of services to Customer's end users. The provision of the Service and arrangement of Off-Net Service by Spirit, as set forth in this Agreement, do not constitute the joint undertaking with Customer for the furnishing of any service, nor does it result in any partnership or other arrangement whereby Customer can bind Spirit as to any liability. Service provided to and Off-Net Service arranged for Customer under this Agreement may be connected to other facilities of Customer between certain locations and thereby constitutes a portion of end-to-end service furnished by Customer to its end users. Spirit and Customer acknowledge that Customer has the sole responsibility and liability for obtaining at its expense any and all local access and all third-party access rights (including, without limitation, interconnection and entrance facilities) that Customer requires to serve and access its end users from and between any point of presence applicable to any Service and said end users and resolving service issues with such carriers. Whenever the Service provided or Off-Net Service arranged by Spirit under this Agreement is connected to facilities provided by a third person or entity, charges shall apply for the facilities provided by such other third person or entity, and Customer is responsible therefore. Spirit does not undertake to transmit messages or offer any telecommunications services under this Agreement. Spirit shall be responsible only for the installation, provision, and maintenance of the Service and arrangement of the Off-Net Service as specified in this Agreement. Facilities provided by Customer or a third party shall be the responsibility of the entity providing such facilities. Spirit shall have full and complete control and responsibility for determining any network and service configuration and designs, routing configurations, regrooming, rearrangement, and consolidation of channels and circuits and all related functions with regard to the use of the Service, including, without limitation, supplying the Service on fibers or as a window on a WDM system. Spirit may re-route any or all of the Service in any manner in Spirit's sole discretion, provided that any such re-routing shall not change the location of its point(s) of presence described in any then-current order for Service.
- 8.10 Internet Phone. Where Internet based phone service is provided over a Customer's existing Broadband service supplied by another service provider, Spirit shall not be responsible for: (a) trouble shooting Customer firewall issues which could contribute to poor performance of Spirit's "Bring Your Own Broadband" (BYOB) IP Telephony service; or (b) Internet congestion at Customer's location or within their Internet Provider's ISP Network which could contribute to voice degradation on the Customer's IP Telephony service. The IP Phones that Spirit supplies for Customer's use are "Power Over Ethernet" (POE) phones. In the event that the Customer provided switches do not support POE, an external power supply can be provided by Spirit at an additional charge for each phone.
- 8.11 No Third-Party Benefits. Spirit and Customer intend and agree that no person or entity other than the Parties to this Agreement is or shall be entitled to bring any action to enforce any provision of this Agreement; and that the covenants, undertakings, and agreements contained herein shall be solely for the benefit of, and shall be enforceable only by, the Parties or their respective successors and permitted assigns.
- 8.12 Arbitration of Certain Disputes. Any controversy or claim arising out of or relating to this Agreement or the breach thereof, where the monetary value of the dispute is in excess of Seven Thousand Five Hundred and no/100ths (\$7,500.00) Dollars, shall be settled by a single arbitrator in the City of Columbia, South Carolina in accordance with the Commercial Arbitration Rules of the American Arbitration Association ("AAA"), and judgment upon the award may be entered in any court having jurisdiction thereof. The award of the Arbitrator shall be based on and accompanied by written findings of fact. The arbitrator must be neutral, independent, disinterested and impartial.

obligation (other than Customer's making payment) contained in this Agreement on its part required to be performed or observed, and any such failure remains uncorrected for thirty (30) calendar days after written notice from the non-defaulting Party informing the defaulting Party of such failure; or (iii) Spirit or Customer being subject to or having filed for bankruptcy or insolvency proceedings, or being declared insolvent.

- 8.2 Customer's Default. If Customer is in Default, Spirit may, in addition to any other remedies it has under this Agreement or Law: (i) suspend its performance under this Agreement or any or all Service Orders without notice until Customer has remedied all breaches of this Agreement and paid in full all charges then due, including, without limitation, any applicable interest charges; (ii) condition provision of Service and/or arrangement of provision of Off-Net Service or acceptance of any order for service on Purchaser's assurance of payment and compliance with this Agreement, which may be in the form of a deposit or prepayment or such other means as Spirit reasonably requires; or (iii) terminate this Agreement and/or any Service effective immediately and without any further notice; provided, that Customer's duty to pay all charges due and owing at the time of termination and any termination fees shall survive such termination. Unless provided otherwise in Exhibit A, the termination fee shall be equal to 100% of the remaining monthly recurring charges, installation and nonrecurring costs and usage fees that otherwise would have been payable for the Service terminated for the unexpired portion of said term. The termination fees shall be construed as liquidated damages and not as penalties, it being agreed that Spirit's actual damages in the event of such termination would be impossible to ascertain and such amount is a reasonable estimate of such damages. All termination fees shall be promptly paid as a lump sum at the time of termination.
- 8.3 Spirit's Default. If Spirit is in Default, Customer may, in addition to any other remedies it has under the Agreement or Law, terminate this Agreement and/or any applicable Service effective on written notice to Spirit, provided that Customer pays all amounts due and owing at the time of the termination.
- 8.4 Spirit's Termination. Spirit may terminate this Agreement and/or any applicable Service Order(s) effective immediately, if Spirit does not maintain or loses any required regulatory, governmental or other certificates, permits, licenses or other authority to provide the Service or arrange for the provision of Off-Net Service. Under such circumstances, Customer shall not be liable for a termination fee related to the Services terminated.
- 8.5 Attorneys' Fees. If suit is brought by either Party to enforce this Agreement including, without limitation, to collect any moneys due under this Agreement, the prevailing Party shall be entitled to recover, in addition to any other remedy, reimbursement for reasonable attorneys' fees, court costs, costs of investigation and other related expenses incurred in connection therewith.
- 8.6 No Waiver. The failure of either party to give notice of default or to enforce or insist on compliance with any of the terms or conditions of this Agreement, the waiver of any term or condition of this Agreement, or the granting of an extension of time for performance shall not constitute the permanent waiver of any term or condition of this Agreement; and this Agreement and each of its provisions shall remain at all times in full force and effect until modified as required by this Agreement.
- 8.7 Force Majeure. Except as is provided in this Section 9.1, Spirit shall not be liable for any failure of performance under this Agreement or related to any Service due to causes beyond its reasonable control, including, without limitation, Acts of God, fire, explosion, vandalism, storm, extreme temperatures, or other similar catastrophes; any Law, order, regulation, direction, action, or request of the United States government, or of any other government, including state and local governments having jurisdiction over Spirit or Customer, or of any department, agency, commission, court, bureau, corporation, or other instrumentality of any one or more of said governments, or of any civil or military authority; national emergencies, insurrections, riots, wars, or strikes, lock-outs, work stoppages, or other labor difficulties; or any other condition or circumstance beyond the reasonable control of Spirit which impedes or affects any Service or Off-Net Service ("Force Majeure"). During any Force Majeure event, if failure of performance on Spirit's part is expected to be: (i) for sixty (60) days or less, Customer shall not have right to terminate the Agreement but shall be relieved of its obligation to pay for that portion of the Service affected for the period of such failure of performance; or (ii) for more than sixty (60) days, Customer shall not have right to terminate the Agreement but shall be relieved of its obligation to pay for that portion of the Service affected for the period of such failure of performance and may terminate only that portion of any Service affected, by written notice to Spirit. Any such

over the circuits or equipment provided under this Agreement. Spirit shall have no liability or responsibility for the content of any communications transmitted via the Service (except for content solely created by Spirit). Spirit provides applications utilizing Internet Protocol. Spirit does not operate or control the information, services of others, opinions or other content of the Internet. Customer agrees that it shall make no claim whatsoever against Spirit relating to the content of the Internet or respecting any information, product, service or software ordered through or provided by virtue of the Internet. Notwithstanding any provision or inference to the contrary, in no event shall Spirit be liable for delays in installation or restorations of any Off-Net Service or out of mistakes, omissions, or interruptions, errors or defects in transmission occurring as to Off-Net Service.

NOTWITHSTANDING ANY PROVISION OR INFERENCE TO THE CONTRARY, IN NO EVENT SHALL SPIRIT HAVE ANY LIABILITY TO CUSTOMER (OR TO ANY THIRD PARTY, WHETHER OR NOT CLAIMING THROUGH CUSTOMER) FOR ANY DAMAGES, EXCEPT AS EXPRESSLY AGREED TO IN THIS AGREEMENT, WHETHER DIRECT, INDIRECT, CONSEQUENTIAL, PUNITIVE, EXEMPLARY, SPECIAL, OR INCIDENTAL (SUCH AS LOSS OF BUSINESS OR PROFITS), ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE OBLIGATIONS OF SPIRIT PURSUANT TO THIS AGREEMENT. IN THE EVENT OF ANY INTERRUPTION IN ANY SERVICE OR OFF-NET SERVICE WHATSOEVER OR ANY BREACH OF THIS AGREEMENT BY SPIRIT, NEITHER SPIRIT, NOR SPIRIT'S AFFILIATES, NOR ANY THIRD-PARTY PROVIDER, NOR ANY OPERATOR OF FACILITIES EMPLOYED IN THE PROVISION OF ANY SERVICE OR OFF-NET SERVICE SHALL BE LIABLE TO CUSTOMER OR THIRD PARTIES FOR ANY INDIRECT, CONSEQUENTIAL, SPECIAL, INCIDENTAL, EXEMPLARY, OR PUNITIVE DAMAGES, OR FOR ANY LOST PROFITS OF ANY KIND OR NATURE WHATSOEVER, WHETHER ARISING OUT OF CONTRACT, TORT, OR OTHERWISE AND CUSTOMER SHALL INDEMNIFY AND HOLD HARMLESS SPIRIT FOR SUCH LIABILITY. FURTHERMORE, IN NO EVENT DURING ANY TWELVE (12) MONTH PERIOD, SHALL SPIRIT BE LIABLE FOR DAMAGES AND CREDITS IN AN AMOUNT EXCEEDING CUSTOMER'S PAYMENT FOR ONE MONTH'S RECURRING SERVICES.

SPIRIT MAKES NO WARRANTY, WHETHER EXPRESS, IMPLIED OR STATUTORY, AS TO THE DESCRIPTION, QUALITY, MERCHANTABILITY, TITLE, NONINFRINGEMENT, COMPLETENESS OR FITNESS FOR ANY PURPOSE OF ANY SERVICE OR OFF-NET SERVICE OR AS TO ANY MATTER, ALL OF WHICH WARRANTIES BY SPIRIT HEREBY ARE EXCLUDED AND DISCLAIMED. THE SERVICES ARE PROVIDED ON AN "AS IS" AND "AS AVAILABLE" BASIS. NO ADVICE OR INFORMATION GIVEN BY SPIRIT OR ITS AGENTS SHALL CREATE A WARRANTY. SPIRIT DOES NOT WARRANT THAT THE SERVICES WILL BE UNINTERRUPTED OR ERROR FREE OR THAT ANY INFORMATION, SOFTWARE OR OTHER MATERIAL ACCESSIBLE ON THE SERVICE IS FREE OF VIRUSES, WORMS, TROJAN HORSES OR OTHER HARMFUL SOFTWARE COMPONENTS.

7.1 Indemnification. Except as otherwise provided in this Agreement, Spirit and Customer agree to indemnify, defend and hold harmless the other Party from and against all liability, loss, cost, damage and expense (including, without limitation, reasonable attorney's fees and the expense of litigation, administrative proceedings or arbitral proceedings) resulting in whole or in part from claims by any third party that personal injury, tangible personal or real property damage, or death, arise out of the following: (i) the negligent or willful misconduct, act or omission of the Indemnifying Party or any of its agents, servants, employees, officers, directors, contractors, subcontractors, or representatives; or (ii) the breach of, or failure to comply with, any term or condition of this Agreement by the Indemnifying Party or any of its agents, servants, employees, contractors, representatives, officers, directors, or subcontractors or (iii) proceedings to recover taxes, fines or penalties for failure of the Indemnifying Party to obtain or to maintain in effect any necessary certificates, permits, licenses, approvals, authorizations or other authority to acquire, use or operate its system or Service required to be obtained or maintained by the Indemnifying Party under applicable Law; or (iv) claims arising out of actions for infringement of copyright or other proprietary right infringement. Customer shall defend, indemnify and hold Spirit harmless from any and all claims (including claims by governmental entities seeking to impose penal sanctions) arising out of libel and slander actions based on the content of communications transmitted over the circuits or equipment provided under this Agreement.

8.1 Events of Default. A "Default" shall occur if: (i) Customer fails to make any payment required to be made by it under this Agreement and any such failure remains uncorrected for 60 calendar days after the date such payment was due; (ii) Spirit or Customer fails to perform or observe any material term or

- 4.6 Cooperation. Within a reasonable time of its suspecting a fault with any Off-Net Service or Service and/or its equipment or that of the other Party, Spirit or Customer, as the case may be, shall take reasonable steps to determine if the suspected problem is within its own system, or, if it is suspected that such fault is on the system of the other Party, use reasonable effort to notify that Party as soon as reasonably possible. Both Spirit and Customer agree to work in a cooperative effort to attempt to identify system faults.
- 5.1 Use by Customer. Customer represents, warrants, and covenants for Spirit's reliance thereon that: (a) Customer has received all necessary certifications, permits, licenses, approvals, grants, charters, and other authority of whatsoever kind necessary ("Approvals") to carry out the business in which Customer is engaged, including, without limitation, in connection with its using the Service, any Off-Net Service and Spirit's points of presence, as applicable; (b) Customer has complied and will comply with all laws, ordinances, regulations, judicial or administrative orders, and rules, whether local, State, or Federal (collectively, "Law") which may be applicable to Customer; and (c) Customer does and will operate in accordance with and maintain current all such Approvals.
- 5.2 Damages. Customer shall reimburse Spirit for damages to premises, circuits, facilities and equipment of Spirit or others caused by the negligence or willful act or omission of Customer, its employees, agents, or contractors or Customer's end users, or resulting from improper use of the Service or Off-Net Service by Customer, its employees, agents, or contractors or any of Customer's end users; or the malfunction or failure to meet any applicable technical specifications of any premises, circuits, facilities or equipment used or provided by Customer or Customer's employees, agents, or contractors or any Customer end user. Spirit, upon reimbursement for any such damages (and at Customer's expense), will cooperate with Customer in prosecuting a claim against the person or entity causing such damage. If Customer, its employees, agents, or contractors or Customer's end users, causes damage to premises, circuits, facilities or equipment of a person or entity other than Spirit, then Customer shall hold Spirit harmless from any claim arising out of such damage.
- 5.3 Interference. Customer shall ensure that the characteristics and methods of operation of any circuits, facilities, or equipment provided by Customer or Customer's agents, or end users, and association thereof with circuits, facilities, or equipment used by Spirit in providing Service or arranging for provision of any Off-Net Service, shall not interfere with or impair service over any such circuits, facilities and equipment of Spirit, impair the privacy of any communications carried over Spirit's circuits, facilities, or equipment; or create hazards to the contractors, agents, or employees of Spirit or the public. If such characteristics or methods of operation are not in accordance with the foregoing provisions of this Section 5.3, Spirit, where practicable, will notify Purchaser that temporary discontinuance of the use of Service or Off-Net Service may be required; however, where prior notice is impracticable, nothing contained in this Agreement shall be deemed to preclude Spirit's immediate right to temporarily discontinue Customer's use of any or all Service or Off-Net Service. In case of any such temporary discontinuance, Customer will be notified as soon as reasonably practicable and, if reasonably practicable, given the opportunity to correct the condition which gave rise to the temporary discontinuance. During such period of temporary discontinuance, no Service interruption shall be deemed to have occurred. Customer shall use reasonable efforts to install and bear the cost, if any, of such additional facilities or protective apparatuses which, according to accepted telecommunications industry standards, reasonably are required to be installed because of the particular use or hazardous location of any Service provided by it. Spirit shall not be responsible for providing or bearing the cost, if any, of facilities or protective apparatuses for Off-Net Service.
- 6.1 Liability Limitation. Spirit's liability arising out of delays in installation or restorations of the Service or out of mistakes, omissions, or interruptions, errors, or defects in transmission occurring in the course of providing Service shall in no event result in the payment of damages. Customer shall only be entitled to the payment of service credits (if any) as stated in Exhibit A for the affected Service which, for any twelve month period, shall not exceed Customer's payment for one month's recurring charges for such affected Service. In no event shall Spirit be liable for any damage arising out of the fault of facilities or equipment furnished by Customer or its end users or Customer's or its end user's agents or contractors, or others acting on their behalf or for any act or omission of Customer in furnishing of its services to others or for libel or slander. Actions based on the content of communications transmitted

determined by Spirit for the installation, inspection and scheduled or emergency maintenance of any Spirit equipment relating to the Service. Spirit shall notify Customer at least two (2) business days in advance of any regularly scheduled maintenance that will require access to the premises. Customer will be responsible for providing and maintaining, at its own expense, the level of power, heating and air conditioning, cleanliness and security necessary to maintain the proper environment for the Spirit equipment on the premises. In the event Customer fails to do so, Customer shall reimburse Spirit for the actual and reasonable cost of repairing or replacing any Spirit equipment damaged or destroyed as a result of Customer's failure. Customer will provide or assure a safe place to work and compliance with all laws and regulations regarding the working conditions on the premises.

- 4.2 Spirit Equipment. Except as otherwise agreed, title to all equipment utilized by Spirit to deliver the Services shall remain with Spirit. Spirit will provide and maintain its equipment in good working order. Customer shall make necessary arrangements so that Spirit and its designated contractors will have access to such space and equipment at reasonable times for installing, inspecting, testing, adjusting, maintaining, repairing, replacing, and removing equipment owned or operated by Spirit or its designated contractors as Spirit deems appropriate. Customer shall not, and shall not permit others to rearrange, disconnect, remove, attempt to repair, or otherwise tamper with any Spirit equipment, without the prior written consent of Spirit. Spirit's equipment shall not be used for any purpose other than that for which Spirit provides the same. Customer shall not take any action that causes the imposition of any lien or encumbrance on the equipment. In no event will Spirit be liable to Purchaser or any other person for interruption of Service or for any other loss, cost or damage caused by or related to improper use or maintenance of the equipment by Customer or any third party gaining access to the equipment through Customer in violation of this Agreement. Customer shall reimburse Spirit for any damages incurred as a result thereof. Customer agrees (which agreement shall survive the expiration, termination or cancellation of this Agreement) to allow Spirit to remove the equipment from the premises: (i) after termination, expiration or cancellation of the term of any Service in connection with which the Spirit equipment was used; or (ii) for repair, replacement or otherwise as Spirit may determine is necessary or desirable, but Spirit will use reasonable efforts to minimize disruptions to the Service caused thereby.
- 4.3 Customer Provided Equipment. Spirit may install certain Customer provided communications equipment upon agreement with Customer. However, upon installation of Service for the Customer, Spirit shall not be responsible for the operation or maintenance of any such Customer provided communication equipment. Spirit undertakes no obligations and accepts no liability for the configuration, management, performance or any other issue relating to any Customer provided equipment used for access to or the exchange of traffic in connection with the Service. Customer, at Customer's expense shall maintain all apparatus and equipment provided by or on behalf of it in a good and workmanlike manner. If Spirit investigates a Service or Off-Net Service Interruption which arises out of malfunction or improper use of Customer's equipment, Customer shall remit to Spirit within fifteen (15) days of receipt of invoice Spirit's reasonable costs incurred arising out of said investigation. Customer shall bear the risk of loss through theft or casualty of any facilities or equipment owned or controlled by it or its customers regardless of the location of said facilities or equipment.
- 4.4 Scheduled Maintenance. Spirit will conduct periodic maintenance of its equipment. Scheduled maintenance of the Spirit network will not normally result in Service interruption or outage. However, in the event scheduled maintenance should require a Service interruption or outage, Spirit will exercise commercially reasonable efforts to (i) provide Customer with three (3) days prior written notice of such scheduled maintenance, (ii) work with Customer in good faith to attempt to minimize any disruption in Customer's services that may be caused by such scheduled maintenance, and (iii) to perform such schedule maintenance during the non-peak hours of 12:00 a.m. (midnight) until 6:00 a.m., Eastern Standard Time. Maintenance, tests and adjustments shall be completed within a reasonable time. No credit will be allowed under this Agreement for any Service interruptions involved during such maintenance, tests, or adjustments.
- 4.5 Emergency Maintenance. An emergency maintenance notification will be sent to the proper distribution list pre-defined by Spirit and Customer. Should there be an instance, which initiates the need for emergency maintenance activity, Spirit will use in good faith attempt to minimize any disruption to Customer's service.

[illegible]

Account #	Total Due	AMOUNT ENCLOSED
	699.75	\$

I authorize the use of this credit card for the above charge



1234627731000373430114020100699754

SERVPRO OF THE DUTCH FORK
ATTN: CHRIS CROMER
PO BOX 67
PEAK, SC 29122-0067



Card No. _____ Exp. Date _____

Signature _____

Use your credit card for our "Simplified Payment Plan" by calling
1-800-673-2000

☐ Please Check Box And Make Changes To Your Address On the Reverse Side

Please Detach Here And Return Top Portion With Your Payment

PAGE #	ACCOUNT #	INVOICE #	INVOICE DATE	PO#
1 of			02/01/2014	

Service and Billing Questions
(800) 673-2000
M-F 8:30AM - 5:00PM (ET)

ACCOUNT SUMMARY	
PREVIOUS BALANCE	253.95
PAYMENTS	- 258.95
ADJUSTMENTS	0.00
NEW CHARGES	699.75
NEW BALANCE	699.75

[illegible]

- Please make checks payable to: Answer MTI
- Please write your account number on your check.

Answer MTI
P.O. Box 88030
Chicago, IL 60680-1030

A late fee will be assessed on past due amounts.

ANSWER
MTT

Account #	Total Due	AMOUNT ENCLOSED
	699.75	\$

Card No. _____ Exp. Date _____

Signature _____



PEAK, SC 29122 3037

☐ Please Check Box And Make Changes To Your Address On the Reverse Side

PAGE #	ACCOUNT #	INVOICE #	INVOICE DATE	PO#
1			02/01/2014	

ACCOUNT SUMMARY	
PREVIOUS BALANCE	258.95
PAYMENTS	- 258.95
ADJUSTMENTS	0.00
NEW CHARGES	599.75
NEW BALANCE	699.75

[illegible]

New Balance	699.75
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Answer MTI
P.O. Box 88030
Chicago, IL 60680-1030

ANSWER
MTT™

12009 (9/10) 009122 A



Job Management Monitors

The **Active Jobs Management Monitor** gives you the tools to control each job's destiny. Using this Monitor, you can keep job deadlines under control, view a variety of status reports, respond quickly to job documentation problems, and speed up payments on completed jobs.

In short, the **Active Jobs Management Monitor** allows each Associate to raise the bar on customer service, refine the accuracy of each job file, and produce the quality job that our clients require. This application helps each Associate use documentation to "tell a success story."

The **Active Jobs Management Monitor (AJMM)** is a major improvement in online visibility that will enhance your ability to manage the file components and client requirements of each job in one location. By using this tool to manage a client's active jobs by providing alerts when job actions and/or client requirements are upcoming. Additionally, an owner validation is performed to review the job file from the adjuster's perspective.

Once a job completes job file audit, it will now be scored, as applicable, for 1-4-8 compliance, initial upload and audit compliance, daily upload and audit compliance, final upload compliance, and owner validation compliance in addition to the existing final audit compliance.

A Job Management Scorecard is produced and a **Complete Jobs Management Monitor** is created to provide access to the scored jobs and their respective scoring details.

Application	Description	User Guide
Active Jobs Monitor	Using this Monitor, you can keep job deadlines under control, view a variety of status reports, respond quickly to job documentation problems, and speed up payments on completed jobs.	PDF
Completed Jobs Monitor	Created to provide access to the scored jobs and their respective scoring details.	PDF



NATIONAL ACCOUNTS

TO: Franchises in *All States*
FROM: Greg Gray, National Key Accounts Manager
SUBJECT: The Hartford Insurance Company – *Residential & Commercial*
Replaces Bulletins: #3348-F, #3212-F, #3140-F, #3406-F, #3432-F, #3007-F,
#2904-F, #2721-F, # 2825-F, # 2630-F, and #3021-F

August 11, 2010

The Hartford Insurance Company

Only those Franchisees who are qualified to receive Select National Accounts referrals are eligible to participate in this Program (refer to the National Accounts Guidelines in Bulletin #3077-F, dated March 31, 2006). The Select National Accounts and Insurance Restoration Guidelines must be strictly adhered to when completing losses for this client, regardless of the source.

Only those Franchisees who have signed and submitted the *Select National Accounts Participation Agreement* can participate in this Program (refer to Bulletin #3261-F, dated June 21, 2007). Pursuant to the guidelines of the *Select National Accounts Participation Agreement*, SERVPRO® will post a copy of the The Hartford Insurance “Flow-Through Agreement” to ServproNET®. The Franchisee acknowledges and agrees that its first acceptance of any job from The Hartford Insurance binds the Franchise to all the terms of the Flow-Through Agreement, as well as the Program requirements contained herein.

PLEASE READ THIS BULLETIN CAREFULLY. This Bulletin contains guidelines for the The Hartford Insurance Program.

CONFIDENTIALITY CLAUSE: This Bulletin contains highly confidential and proprietary information. Reproduction and/or disclosure of the information contained herein to parties outside of SERVPRO®, including, but not limited to, The Hartford Insurance personnel, is strictly prohibited. Failure of the Franchise to comply with the confidentiality clause is a breach of the The Hartford Insurance Agreement and grounds for termination from the Program.

**The Hartford Insurance Company
Customized Guidelines and Services**

Collect Deductible: Yes. If there are additional services needed related to the covered loss, The Hartford will make commercially reasonable efforts to apply the deductible to other expenses related to the covered loss. The Hartford shall notify the Franchises of any applicable deductible as soon as practicable in no event later than job completion.

Emergency Service Limit: Water and Fire - \$2,000.

First Notice of Loss: The Hartford will report all losses initially through SERVPRO®'s National Call Center at 1-800-SERVPRO (1-800-737-8776).

The Hartford shall use commercially reasonable efforts to determine if a customer's loss is covered under the insurance policy and will promptly notify the Franchise if damage is not covered under the policy. The Customer shall be responsible for non-covered work begun or completed prior to that time.

Approved Subcontract Work: Any subcontract work, except subcontractors used for carpet re-laying, must be approved in advance by The Hartford and approval must be noted in the job file. Overhead and profit may be paid for subcontract work, excluding carpet installation, and is subject to The Hartford's approval.

Photos: Digital Photos of damaged area(s) and front of structure required. A digital photo of specialty drying equipment is required when specialty drying equipment has been used and approved by The Hartford.

Drying Workbook: The most recent version of the SERVPRO® Drying Workbook is to be completed and uploaded for all The Hartford jobs that include drying.

Estimating Software: The Hartford requires ALL water and fire mitigation jobs, including commercial, to be estimated in *ScanER® XL*. **The use of *Xactimate®* on any The Hartford Mitigation job is prohibited. If an adjuster requests the use of *Xactimate®* on any portion of the job other than restoration or construction services, please contact National Accounts immediately.**

Pricing: See *Exhibit 1* for *The Hartford Price List State Table* that indicates each *ScanER® XL* pricelist group and their assigned states/major metropolitan areas. These rates apply for commercial and residential work and should also be used in the event of a Catastrophe or Storm Event.

Invoicing and Payment Procedures: Upon completion of job, the completed *ScanER® XL* job file, **regardless of source**, is to be uploaded to SERVPRO® via *ServproNET®* and is mandatory for payment processing. Once the job file passes internal audit, Servpro Corporate will notify The Hartford that the job has passed audit and that the file is ready for review and payment processing. The Hartford will issue the check directly to the Franchise within 30 days of receiving the invoice from Servpro Corporate.

Mortgage Company Inclusion on Payment: The Hartford is including mortgage companies on payments where building damages exceed \$5,000. This includes ALL building-related amounts whenever the total building damage exceeds \$5,000. This means Franchises could receive payment with the mortgage company included on the draft, even if the Franchises portion did not exceed \$5,000.

Reinspection: The Hartford may perform a reinspection of any assignment. Deviations between the original estimate and those of the reinspector that are greater than 5% shall be reviewed for "reasonableness" defined as acceptable by industry standards. The Hartford shall provide reinspection feedback and shall communicate the findings to SERVPRO®. See *Exhibit 2* for The Hartford/ SERVPRO® RIS Report Workflow and Franchise expectations.

Mold: If mold is discovered, the Franchisee will continue emergency mitigation, and mold remediation where the mold contamination can be contained to prevent cross-contamination of clean areas of the structure. The Franchisee will notify the Adjuster and Policyholder of the presence of mold. If mold is discovered, and the mold contamination cannot be contained to prevent cross-contamination, the Franchisee will notify the Representative/Adjuster and Policyholder immediately, and no emergency mitigation work or mold remediation work will be performed until the Representative/Adjuster has reviewed the loss.

Lead: The United States Environmental Protection Agency passed the Renovation, Repair and Painting Rule, also known as the RRP Rule, effective April 22, 2010. This Rule is meant to minimize lead paint exposure. In general, the Rule applies to pre-1978 homes and requires testing for lead paint and if the tests are positive, containment of the work area with plastic or other non-permeable materials, full personal protective equipment for franchisee employees, HEPA vacuuming, as well as bagging and properly disposing of all building materials disturbed on the job site, including any dust cleaned up. Unfortunately, no test kits are available for paint on sheetrock or plaster walls until at least August or September 2010. Until a test kit for sheet rock and plaster is available, SERVPRO® Franchisees must assume lead paint is present and follow RRP Lead-Safe Work Practices on work on every pre-1978 home.

Storm/CAT Event: SERVPRO® will attempt to service all insurance companies and their insureds timely; however, the ability to provide service may be limited by the number of Franchisee crews available locally. The “1-4-8 Response Guidelines”, other timelines and other service levels may not apply in the event of extreme weather, disasters, catastrophes or large losses. Upon prior approval by Client to help ensure proper coverage, the prices pursuant to this Agreement are subject to change (a) to pass on additional expenses in the event of extreme weather, disasters, catastrophes, or large losses where SERVPRO® Franchises must travel to locales more than 75 miles outside their normal areas of service; and (b) in the event SERVPRO® Franchises are required to pay prevailing or union wages, most often associated with large commercial losses.

Asbestos: Franchise will contact the claims handler when asbestos testing is required. The Hartford will pay for asbestos testing where testing is required by law.

Legal Action: No legal action, including the filing of a lien, may be brought against any insured of The Hartford without first giving 5 business days’ notice to Servpro Industries, Inc., and The Hartford contact in order to allow opportunity to attempt to reach a resolution.

Limited Warranty: (For Claims Initially Referred Through 1-800-SERVPRO)
SERVPRO® Franchises warrant for three years that the workmanship of the emergency mitigation service, water/fire cleanup or mold remediation work performed will be of the quality generally accepted in the emergency property damage mitigation, cleanup and mold remediation service industry. SERVPRO® Franchises warrant for one year that all materials furnished by the SERVPRO® Franchise will be new, of good quality and free from defects. If a SERVPRO® Franchise fails to meet commercially reasonable expectations, the SERVPRO® Franchise will provide re-service at no additional cost for up to three years. This provision

excludes re-service associated with normal wear and tear, normal re-soiling, improper care and improper maintenance, damage associated with a new event, and excludes sub-contract work. Any items warranted by a manufacturer will be governed by that warranty.

Customer Service Contacts: See *Exhibit 3* for phone numbers and locations of The Hartford Claim Offices. If you are unable to contact your local claims office, call The Hartford Nationwide Claim Number: **1-800-243-5860**.

Flooring Sample/ITEL: If the flooring cannot be restored and will be removed in its entirety, the SERVPRO® Franchise should cut a 12 square inch flooring sample from a low-traffic area. The Franchise will need to leave a sample at the job site and take one back to their office location until the end of the job. Franchises are not to send flooring samples to ITEL on behalf of The Hartford unless instructed by the adjuster to do so.

Commercial Large Loss: For assignments (excluding construction) expected to exceed \$50,000 in the services at the time the loss is reported to SERVPRO® (“Large Loss Assignment”), SERVPRO®’s Large Loss Division will ensure that the assignment is dispatched to a qualified SERVPRO® Franchise and will monitor the services provided. For each Large Loss Assignment, SERVPRO®’s Large Loss Division or the Franchisee shall negotiate with The Hartford the fees or expenses applicable to the services to be provided, and all documentation and invoices will be reviewed, approved and processed for payment by the designated SERVPRO® Corporate Large Loss Manager. All estimates must be submitted to the SERVPRO® Corporate representative by the Franchise for review before the estimate is submitted to The Hartford for payment. After review and approval by SERVPRO® Large Loss Division and SERVPRO® Corporate Audit Team, SERVPRO® will notify The Hartford that the job has passed audit and that the file is ready for review and payment processing. The Hartford will issue the check directly to the Franchise within 30 days of receiving the invoice from SERVPRO® Corporate.



1-4-8 Timestamp Requirements

1 - Hour Customer Contact*

SERVPRO® Franchise should contact the customer within 60 minutes of acceptance of assignment.

4 - Hour On-site Arrival*

SERVPRO® Franchise should be at the loss site as soon as possible and in any event within 4 hours of assignment under normal circumstances. If the Franchise is without valid exception, the Franchise should notify the SERVPRO® Call Center to reassign to another available Franchise.

8 - Hour Verbal Briefing*

SERVPRO® Franchises should provide The Hartford with a verbal briefing of the scope of the damage for the job within 8 business hours of arriving on the job site.

** If the Franchise is not able to meet the above requirements, the Franchise must contact The Hartford and shall document in ScanER® the timestamp(s) and the reason for missing the timestamp(s).*

Franchisees' 1/4/8 results will be reported to The Hartford on a monthly basis. Franchisees who fail to comply three times within a calendar month without valid exceptions, will be temporarily suspended from The Hartford Program until the Trainer gives them clearance and Servpro Corporate is satisfied that the Franchise performance will improve. Additional violations may result in termination from The Hartford's program.

Upload Requirements

Water Upload Requirements:

Within five (5) business days of providing the verbal briefing to The Hartford, the SERVPRO® Franchise should upload the job as complete, unless a valid exception has been noted in the job file.

Fire Upload Requirements (Fire, Smoke, and Odor):

Preliminary Estimate: Within 10 business days of the verbal briefing, the SERVPRO® Franchise should fax or email the preliminary estimate to the claims handling adjuster, unless a valid exception has been noted in the job file. The preliminary documentation should be clearly notated as the "Preliminary Estimate". The Hartford will not be issuing any payment based on the "Preliminary Estimate".

Final Estimate: Within 20 business days of providing the verbal briefing, the SERVPRO® Franchise should upload the file as complete for the job to be audited, unless a valid exception has been noted in the job file.

The Hartford Specific Estimates and Audit Requirements

Audit Requirements: See *Exhibit 4* for all current audit questions at time of bulletin release. Franchises will be notified quarterly when additional audit requirements are added.

The Hartford Specific Estimating Guidelines are as follows, but not limited to:

- Monitoring charges are acceptable, provided the Drying Workbook is complete and accurate.
- Franchises should use the Authorization to Perform Services (ATP) Form #28000 dated 03/2010.
- The Hartford Claim Number should be provided in the FNOL section on every loss.
- Set-up and Take-down charges are not acceptable.
- Mobilization charges are not acceptable, unless authorized by The Hartford in writing.
- Consultation fees are permitted only with prior approval from The Hartford.
- All fees not associated with itemized services will be listed in the job section on the first page of the estimate.
- Supervisory and Administrative charges are not allowed on this program.
- Miscellaneous or General Labor line items cannot be used for equipment or services already contained within the pricelist.
- Pricing Deviations must have adjuster approval.
- Qualifiers other than After Hours must have adjuster approval.
- An EMS – After Hours/Weekends fee can be applied under the following circumstances:
 - FNOL is received by Franchise and responded to during the weekend.
 - FNOL is received by Franchise after 3 p.m. and responded to on the same day, Monday – Friday.
 - FNOL is received during regular hours; however, the customer requests for you to arrive after 5 p.m. or on a weekend. This exception should be noted in the job file.
- Regular hours Emergency Service Calls are not allowed on this program. Regular hours are defined as 8am-3pm, Monday-Friday.
- The structural and content portions of the job must be separated into two different estimates. Each estimate must be uploaded separately into its own job file.
- A Service Fee/Service Call Charge is allowed only if no work was performed on the jobsite.
- Debris Removal must be charged by the bag or the truck load. Jobs where there are 13+ bags should be charged by the truckload.
- Air Scrubbers can only be used on Black Water losses, unless documented adjuster approval is in the job file.

The Hartford Immediate Notification Requirements

The Hartford Requires Immediate Notification to the Adjuster when:

- Damage appears to be caused by malfunction of equipment or by someone other than the insured.
- Mold is detected.
- Content Cleaning is probable.
- Services requiring a subcontractor.
- There is non-salvageable flooring.
- Need for Asbestos Testing is needed.
- Lead Paint Testing is needed.
- Excessive Loss Conditions.
- Subrogation Issues.
- Plumbing leakage appearing to have occurred over more than one 24-hour period, or if the cause of loss is different from the loss report.
- Safety Hazards.
- Questions on Coverage.
- Drying Beyond 3 Days is expected.
- Refusal of Service/Service delays.
- The cost of services exceeds the preliminary amount supplied by the Franchise during the verbal briefing or the itemized preliminary estimate.

SERVPRO® Standard Guidelines and Services

- ◆ Insurance Coverage that meets SERVPRO® Current System Requirements.
- ◆ 24/7 Availability-Live Person
- ◆ 1-4-8 Response
 - * *Exceptions may apply under certain conditions, such as local catastrophic event or storm situation.*
- ◆ Professional & Organized Job File Process that meets SERVPRO® Requirements.
- ◆ Electronic File System
 - ◇ *ScanER® XL* (Mandatory on All Claims)
 - ◇ *e-ViewER™*
- ◆ Uniformed Employees and Vehicle/Equipment Identification
- ◆ Trained Franchise Professionals
- ◆ Quality Assurance Program for Complaint Resolution
- ◆ **Water Service:**
 - ◇ Emergency Mitigation, Cleanup and Restoration
 - ◇ Drying Process
 - ◇ Post-Emergency Cleanup and Mold Remediation
 - ◇ 12" Flooring Sample Retained On-Site, If Non-Salvageable
- ◆ **Fire Service:**
 - ◇ Scope and Qualifications
 - ◇ Contents Cleaning and Deodorization
 - ◇ Move Out
 - ◇ Structure Cleaning and Restoration
- ◆ **Invoicing:**
 - ◇ Detailed estimate
 - ◇ SERVPRO® *Authorization to Perform Services* #28000
 - ◇ SERVPRO® *Certification of Satisfaction* #28503
 - ◇ Digital pictures
 - ◇ SERVPRO® *Drying Workbook*
 - ◇ SERVPRO® *Customer Equipment Responsibility Form* #28509
 - ◇ SERVPRO® Franchisee Tax ID #
 - ◇ SERVPRO® *Customer Information Form-Water Damage or Fire Damage* #28501 and #28500
 - ◇ SERVPRO® Invoice #29502
 - ◇ Expense Report (In storm or situations where mobilization expenses are approved by Insurance Company, an expense report will be required.)

Thank you for your continued support of the National Accounts efforts. The performance of each Franchise is critical to the success of this program. Please keep in mind that the quality of your work will impact the company-wide scope and continuation of this program. As with any program, ***communication*** and guideline ***compliance*** is critical. Contact Greg Gray, Jay Kelley, or Christa Tidwell with questions about this program at 615-451-0600.



SERVPRO

NATIONAL ACCOUNTS
January 4, 2013

National
Accounts

TO: *All U. S. Franchises*

FROM: Christa Tidwell, Key Accounts Manager

SUBJECT: Allstate Insurance Company – Residential – Revision
Replaces Bulletin #4154-F of September 19, 2012
(Changes are highlighted.)

SERVPRO® is working with Allstate to implement a new Program in stages according to a rollout schedule in 2012 and 2013. Franchisees will be given the opportunity to attend an Allstate Rollout Meeting or Webinar based on a rollout schedule to be announced at a later date. Attendance at Rollout Meetings or Webinar is mandatory for participating Franchise Owners. A copy of the Webinar Power Point Presentation will be available on ServproNET/National Accounts/Downloadable Forms.

Franchisees will be given advance notice of the date their operating territory will become LIVE under the new Program Guidelines contained herein.

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Allstate Insurance Company

These are the guidelines for Allstate Insurance Company claims. SERVPRO® National Accounts Guidelines, National Accounts Program Agreement (NAPA), and the insurance restoration guidelines in this Bulletin must be strictly adhered to when completing losses for this client. This program is ***national*** in scope and is effective ***immediately*** in ***all U. S. States***.

We are pleased to announce that SERVPRO® has been selected to participate in Allstate's **Property Good Hands® Repair Network** on a national level. Allstate will have several mitigation suppliers participating in their **Property Good Hands® Repair Network**.

Allstate Corporation is the largest publicly held personal lines property and casualty insurer in America. Allstate was founded in 1931, became a publicly traded company in 1993 and is listed on the New York Stock Exchange under the trading symbol ALL. Allstate is widely known through the "You're In Good Hands With Allstate®" slogan. As of year-end 2011, Allstate had \$125.6 billion in total assets and was number 93 on the Fortune 500 list of largest companies in America. At year-end 2011, Allstate had nearly 12,000 exclusive Allstate agencies and financial representatives in the United States and Canada. Allstate Corporation consists of more than 70,000 professionals made up of employees, agency owners and staff.

Only those Franchisees who are qualified to receive Select National Accounts referrals can participate in this program (refer to the National Accounts Guidelines in Bulletin #3077-F, dated March 31, 2006). As with all Select National Accounts Insurance Programs, the Select National Accounts and Insurance Restoration Guidelines must be strictly adhered to when completing losses for this client, regardless of the source. Please refer to Bulletins # 3819F and #3898F for fees associated with utilizing Xactimate® and SERVPRO®'s audit fees.

Only those Franchisees who have signed and submitted the Select National Accounts Participation Agreement can participate in this program (refer to Bulletin #3261-F, dated June 21, 2007). Pursuant to the guidelines of the Select National Accounts Participation Agreement, Servpro Industries, Inc., has posted a copy of the Allstate Insurance Company "Flow-Through Agreement" to ServproNET®. The Franchise acknowledges and agrees that its first acceptance of any job from Allstate Insurance Company binds the Franchise to comply with all the terms of this Flow-Through Agreement as well as the program requirements contained herein.

PLEASE READ THIS BULLETIN CAREFULLY. This Bulletin contains guidelines for the Allstate Insurance Company Program.

CONFIDENTIALITY CLAUSE: This Bulletin contains highly confidential and proprietary information. Reproduction and/or disclosure of the information contained herein to parties outside of SERVPRO® is strictly prohibited. Failure of the Franchise to comply with the confidentiality clause is a breach of the Allstate Insurance Company Agreement and grounds for termination from the Program.

Allstate Insurance Company Customized Guidelines and Services

**THESE GUIDELINES ARE IN ADDITION TO SERVPRO® STANDARD GUIDELINES FOUND
IN BULLETIN 4103-F OF MAY 31, 2012.**

First Notice of Loss: Allstate Insurance Company will make assignments through the SERVPRO® National Call Center. The SERVPRO® National Call Center will make the XactAnalysis® assignment and dispatch to the Franchise. **If a Franchise receives a local job for Allstate, the Franchise must contact the designated Allstate Claims Office to request the assignment through *Xactimate*® and indicate to Allstate to note in the assignment which Franchise is on the job.** Allstate will then send the assignment to SERVPRO® Corporate, and SERVPRO® Corporate will send the XactAnalysis® assignment to the Franchise. If the Customer does not have a claim number, nor do they intend to turn in a claim to Allstate, please do **NOT** request and/or create a work assignment through Allstate or SERVPRO® Corporate.

Collect the deductible unless otherwise instructed.

Emergency Service Limit: \$2,500.

Photos: All photos must be properly labeled.

Estimating Software: Franchisees must use *Xactimate*®, the version currently approved by Allstate and communicated by National Accounts. *Xactimate*® versions may be changed from time to time, and Franchisees will be notified when an upgrade to a newer version is required. The current *Xactimate*® version approved for use by Allstate is 27.5. **Please refer to Bulletin #4155-F for directions on how to download *Xactimate*® 27.5 and upload the Allstate profile.**

Franchisees shall utilize the *Xactimate*® Sketch Diagramming Tool to draw the accurate room dimensions, including the actual measurements used as the basis for support of the calculations of the mitigation services.

Pricing: Use the most current price list provided by *Xactimate*® for your area. Base Service Charges should be set to Do Not Apply. Only **ONE (1)** of the below Base Service Charges will be allowed on the mitigation estimate. Whichever one applies may be used, but NOT both.

- Cleaning Remediation Technician
- Floor Cleaning Technician

Updating the Job File: To ensure XactAnalysis® reports accurately represent Franchisee performance, it is imperative that the date of contact and the date site is inspected is keyed in *Xactimate*® accurately, and **not in XactAnalysis®**. Mistakes made in keying cannot be corrected after initial upload (reference Bulletin #3195-F).

Initial Upload Requirements: As soon as possible, but in any event, no later than 48 business hours from dispatch, Franchise must provide documentation in support of the loss and the initial upload must include:

- Preliminary Estimate

- Project Scope Notes and any other relevant information which supports
- Xactimate® Sketch
SERVPRO®'s established mitigation protocol
- Digital Pictures to include front of structure and affected area and all pictures properly labeled
- SERVPRO® Drying Workbook
- SERVPRO® Authorization to Perform Services/Direction of Payment

Final Upload Requirements: As soon as possible, but in any event, no later than seven (7) business days of job dispatch, Franchise must upload the completed standard water job file. Within twenty-five (25) business days of job dispatch for all other service types, the responding Franchise shall upload the completed mitigation job file to SERVPRO® Corporate, to include:

- Detailed Estimate utilizing *Xactimate*®
 - Include SERVPRO® Estimator's name and the Franchise's phone number on the estimate.
 - Include Franchise Number in the Header, this will confirm proper Franchise to be paid for services.
- Allstate's Customized Certificate of Satisfaction- **The Form must be properly labeled as the COS Form to trigger the Final Audit and Payment Process.**
(Attached to Bulletin and also on ServproNET/National Accounts/Downloadable Forms)
- Digital Pictures, labeled properly
- SERVPRO® Drying Workbook
- Expense Report (In storm or situations where mobilization expenses are approved by Allstate Insurance Company, an expense report will be required.)

After Hours Service Fee

- **After-Hours Defined:** Assignments Dispatched between 5pm-8am local time, Monday through Friday or on Weekends/Approved Holidays
- Approved After Hours Charges:
 - The after-hours admin charge may be used once per estimate.
 - **The Emergency Service Fee is allowed based on the time of dispatch for those jobs dispatched outside of normal business hours. Any emergency service fee charged requires the dates and times of service to be notated in the Job Diary of the Drying Workbook or under the line item in the estimate.**
- Not Approved After Hours Charges
 - Individual after-hours line items should not be used, with the exception of line item [WTREQA - Equip. set-up, take-down & monitoring - after hours for weekend and holiday monitoring]. In the event there are extreme circumstances where additional line items may be necessary, the only individuals that can approve these line items are the Allstate Inside Technicians (the full name of who authorized must be notated in the job diary).
 - An Emergency service charge is NOT allowed for any claim that was received during normal business hours or where the Franchise performed service during normal business hours.
- **Exceptions to this guideline may be justified in extraordinary circumstances and only with the explicit pre-approval from the Inside Technician (I/T).**

- Use only the standard line items throughout the estimate.
- Approved Holidays: New Year's Eve
New Year's Day
Memorial Day
Independence Day/4th of July
Labor Day
Thanksgiving Day
Christmas Eve
Christmas Day

Equipment Monitoring (Residential): Based on Allstate's requirements, please use the following guidelines for daily monitoring charges for drying equipment:

- 1-5 units – 1 hour
- 6-10 units – 1.5 hours
- >10 units – 2 hours
- The use of the after-hours monitoring charge will be allowed for weekend and approved holiday monitoring.
- Only standard line items should be used for monitoring on weekdays

Certified Technician: Franchisees should have at least one IICRC WRT-Certified technician on site for the duration of each visit.

Demolition: Any tear out (other than baseboard and carpet pad) requires an approval by an Allstate Inside Technician. Always consider less invasive methods to dry the property when appropriate, per IICRC Guidelines.

In-Place Drying: Allstate does not allow in-place drying on any water claims. If in-place drying is the most effective and less invasive method, Franchisee must call to get prior approval from Allstate Inside Technician. If the Technician is not available, disengage carpet and remove/dispose of affected pad.

ITEL: If damaged flooring is not salvageable, Franchisees are required to immediately submit a 12" square sample to ITEL for testing and evaluation. ITEL samples will be required for carpet, hardwood, laminate and vinyl. Franchisees are to contact the adjuster for instructions on sending samples to ITEL.

Carpet Removal: Franchisees are required to photograph the carpet in order to justify the removal. These pictures must include any delamination, furniture stains, etc. If carpet can be saved and the mitigation provider is qualified to re-stretch and re-lay the carpet, this work should be completed by the mitigation provider. If not qualified, it is acceptable to hire an approved subcontractor to re-stretch and re-lay the carpet, and this charge should be included within the mitigation estimate.

Mold: If a loss involves more than 10sq. ft. of mold, contact the Allstate Inside Technician immediately for approval for work to be completed.

Contents: Pack outs require an approval by an Allstate Inside Technician. Contents should be on a separate estimate; contact the Inside Technician for further instructions.

Textile Removal: No textiles outside of an emergency load (2-3 bags of clothes) are to be removed without prior Allstate Inside Technician approval.

Specific Requirements:

- Allstate does NOT allow notes in the Opening Statement of the Estimate. All notes must be input into the Job Diary of the Drying Workbook AND Xactanalysis Notes. Please refer to the Bulletin titled: Xactanalysis Notes: Guidelines for all National Accounts (#4237-F).
- Any deviations must be thoroughly documented in the Notes Section of the Summary Cover Page in the Drying Workbook with name of the Inside Technician, date and time of approval.
- Include photos to justify the use of CAT 3 charges (PPE in use, etc.).
- Any drying beyond 3 days must be documented in the Notes Section of the Summary Cover Page with name of the Inside Technician, date and time of approval.
- If the estimate total for mitigation and restoration services (excluding construction) exceeds \$100,000, the Time and Materials pricing method may be used.
- Missing Spaces:
 - Any opening, regardless of size, should be deducted from the wall, ceiling, floor calculations (square feet, lineal feet, etc.).
 - Window/door/bathtub/cabinetry, etc., openings must be included in dimensions.
 - Accurate measurements are expected.
- The application of antimicrobial on CAT 1 losses will require approval from the Allstate Inside Technician.
- Any specialty equipment line items in the Estimate must have approval from the Allstate Inside Technician. Examples of Specialty Equipment: Heat Wagons, Duct Cleaning, Foggers, Air Wolves, Negative Air Scrubbers, HEPA Vacuums, Vapor Sharks, Drying Mats, Wall Cavity Drying Machines, etc.

Subcontract Work, Overhead and Profit: All non-mitigation services and the associated Overhead and Profit fee require Inside Technician Approval.

Solicitation/Referral of Reconstruction Work: Solicitation of general contract and reconstruction work for Allstate insureds is strictly prohibited, implied or otherwise. All questions or discussions with regard to reconstruction work must be referred to the adjuster. If an insured inquires of your Franchise's ability to perform these services, the appropriate response would be to refer them to their adjuster.

Commercial Large Loss: For losses identified by Allstate to exceed \$100,000 in water, fire and smoke cleanup, mitigation/ restoration and mold remediation services at the time the loss is reported to the SERVPRO® Call Center, Franchises **may** utilize Time and Materials pricing. Any job begun on unit pricing will remain so unless the job exceeds \$100,000, at which point Allstate and SERVPRO® may mutually agree to designate Time and Materials pricing for services not yet started under a unit pricing method.

Invoicing and Payment Procedures: The Franchise will upload the final estimate and invoice to Xactimate® via XactNet. Allstate Insurance Company will send payment directly to the SERVPRO® Franchise within 30 days of receipt of notification from SERVPRO® Corporate that job file has passed corporate review. The mortgage company will not be included on the draft for mitigation services. The

Franchise Number must be included in the Header Section of the Xactimate® Estimate to confirm that the proper Franchise will be paid for services.

Allstate Franchise SMR Guidelines: The goal for Allstate is to keep the referral relationship at a network (program) level to capture loss data. Owners/SMR's are not to solicit "local" losses produced outside the Good Hands Repair Network (GHRN). The agenda for the agent visits from SERVPRO® Marketing Representatives should be to follow up on business issues, answer questions/solve issues and confirm customer satisfaction. The following will be acceptable topics during an agent visit: discussion/scheduling of CE Classes, communication of positive COS's/customer letters to their agents, and sharing the benefits that the agents can provide to their commercial customers with the SERVPRO® Emergency Ready Plan (ERP). It has been specifically requested that Franchises do not distribute pens, magnets or other marketing material. Allstate has requested only those Franchises who are part of the GHRN provide CE Classes to their agents or adjusters.

Limited Warranty: (For Claims Initially Referred Through 1-800-SERVPRO) The warranty will be effective for a period of three (3) years from the earlier of the date of completion or the date upon which the services are substantially completed, and one (1) year for materials.

Customer Service Contacts: Contact the assigned adjuster.

<u>Office:</u>	<u>Location:</u>	<u>States Served:</u>
Midwest	Woodridge, IL	IL, MN, WI
California	Diamond Bar, CA	CA
Florida	St Petersburg, FL	FL
Southern	Nashville, TN	KY, LA, MS, TN, AR
Northeast	Malvern, PA	CT, RI, PA, ME, NH, VT
Texas	Irving, TX	TX
New Jersey	Wall, NJ	NJ
New York	Lake Success, NY	NY
West Central	Overland Park, KS	CO, MO, KS, IA, MT, ND, NE, SD, WY
North Central	Hudson, OH	IN, OH, MI
Southeastern Shores	Charlotte, NC	AL, NC, SC, GA
Capital	Columbia, MD	MD, VA, WV, DE
Northwest	Tigard, OR	OR, WA, AK, HI, ID
Southwest	Mesa, AZ	AZ, NV, NM, OK, UT

Allstate Inside Technician and ITTEL Contacts:

The contact information below is only for those regions that are currently active on the Allstate Program.

California Region:

Becky Spencer 909-612-5572 rebecca.spencer@allstate.com

Ruben Franco 909-612-5529 cjz9q@allstate.com

Dave Buell 909-612-5559 david.buell@allstate.com

Sam Amaro 818-716-3427 cdhhl@allstate.com

New York Region:

Toll free number: 866-322-4754 and the Extension: last 7 digits (ie. Scott's Ext. 3570335)

Scott Dammers: 516-357-0335 cdqn9@Allstate.com
Ray Colalillo 516-357-0387 Ray.Colalillo@Allstate.com
Janet Damiani 516-357-0388 Janet.Damiani@Allstate.com
After Hours – 877-812-7640 Limited Support

West Central Region:

Main Contact: Wade Brewton - 800-347-1998, x-3455322 or (913) 345-5322
Secondary Contact: Wes Skilling – Inside Technician - 913-663-6634
ITEL Label Requests: Ben Piehler - (913) 345-5385

Midwest Region:

Joe Gonzalez – 630-972-7114 – cdkj5@allstate.com
John Palka – 630-972-7099 – cdmwd@allstate.com
ITEL FedEx Information: FedEx – 4510-3332-8
ITEL
6745 Phillips Industrial
Suite 1
Jacksonville, FL 32256
904-363-2379

Texas Region:

Main Contact: Mona Walker - 800-767-5607 x 79733 - mona.walker@allstate.com
Secondary Contact: Tunya Jordan - 800-767-5607 x 79725 - tunya.jordan@allstate.com
Ronny Rix - (800) 377-7675 ext.58628 – Ronny.Rix@allstate.com
ITEL FedEx Information: FedEx - 4505-8024-4 Two Day Delivery

Northeast Region:

Main Office Number: (800)280-0714
Main Contact: Frank Jantes – (610)251-3026
ITEL Label Requests: Frank Jantes – (610)251-3026

Northwest Region:

Main Contact: Brandon Iain: 503-443-4074 brandon.iain@allstate.com
Secondary Contact: Annette Keen: 503-603-5941 abets@allstate.com
ITEL Information: Please contact the Inside Technicians for direction.

Thank you for your continued support of the National Accounts efforts. The performance of each Franchise is critical to the success of this program. Please keep in mind that the quality of your work will impact the company-wide scope and continuation of this program. As with any program, **communication** and guideline **compliance** is critical. Contact Christa Tidwell with questions about this program at 615-451-0600 ext. 1624.

Allstate Audit Questions

Initial 48 hour upload Requirements

Photos Uploaded

Allstate requires digital photographs depicting the full extent of the damage from all affected areas

- Front of policyholder residence
- Source of damage
- Resulting damage in all affected rooms
- Photos justifying CAT 3 charges (PPE in use, etc.).
- If carpet is removed photos must be present to justify removal.



Photos must be labeled appropriately.

Authorization to Perform

A signed legible authorization to perform work (Most current SERVPRO Form) must be uploaded and labeled appropriately.

Drying Workbook Uploaded/Labeled

- Allstate requires the Drying Workbook be filled out in its entirety and labeled appropriately

Drying Workbook Summary Page

Analyze the Summary Cover Sheet in Drying Workbook to ensure the information entered is in all applicable fields.

- **All information contained in the Notes Section should fully support actions taken on site and should support the scope of services in the estimate.**
- **It is imperative the notes allow the job file to speak for itself since most reviews will be performed via desktop.**

Drying Zone Worksheet

- All rooms containing equipment or used for equipment calculations must be listed by zone.
- The number entered in the cell "Percentage of Room Affected" must align with the water migration shown on the sketch in the Inspection Report.
- Total square footage of all areas on the Drying Zone Worksheet should be less than or equal to the Grand Total square footage in the estimate.

Inspection Report (contained in the Drying Workbook)

- Zone/Room Name
- Meter type(s)
- Meter number(s)
- Hygrometer number(s)
- Dehumidifier identification
- Estimate Sketch or a floor plan depicting:
 - Equipment locations
 - Locations of moisture content readings
 - Rooms within a drying zone
 - Water migration

Calculation Sheets

Please note:

The Dehu Calculation Sheet is to be filled out for the first day the dehus were placed.

The Air Mover Calculation Sheet is to be filled out for the first day the air movers were placed.

- Dehumidifier Quantity Calculation Worksheet
 - Total PPD capacity of dehumidifiers placed must validate.
 - Deviations from the IICRC Dehumidification Formula that result in non-validation must be thoroughly explained in the Notes Section of the Summary Cover Page.
- Desiccant Dehumidifier Quantity Calculation Worksheet
 - Total CFM capacity of desiccant dehumidifiers placed must validate.
 - Deviations from the IICRC Dehumidification Formula that result in non-validation must be thoroughly explained in the Notes Section of the Summary Cover Page.
- Air Mover Quantity Calculation Worksheet
- Total air movers placed must fall within the range of air movers calculated on the worksheet. Deviations that result in non-validation must be thoroughly explained in the Notes Section of the Summary Cover Page.

Equipment Usage Sheet

The number of dehumidifiers and air movers are keyed by day, by zone, based on what is left in structure when departing. The last day should read zero. Numbers on sheet match charges on calculation sheets, monitoring report and charges in estimate.

Monitoring Report

- Dates and Times are present for each day of job.
- Technician initials are present for each day of job.
- Outside temperature is identified for each day of job.

Days to Dry > 3 Days

Any drying beyond 3 days must have the file documented that the Inside I/T (Allstate Technician) that will be reviewing the mitigation estimate was notified.

Other

If a job file contains an error that is not covered by a bulletin or email, a rejection may still occur. This guideline reflects any item in audit that requires attention and is not identified in any other tab or guideline.



1 and 4 Hour Compliance

Allstate requires the Franchise to meet a 1-hour customer contact time and a 4-hour onsite arrival time. Deviations from service level agreements must be notated in the **Drying Workbook** indicating the reason for non-compliance. An exception reason should also be selected from the Non-ScanER XL Monitor.



Please note if actual times have not been entered into Xactimate® when file was uploaded the time will default to 1:00AM. Please ensure Franchise has input correct times.

THE TIME STAMPS ON THE DETAILS TAB ARE PRESENTED IN CENTRAL TIME.

Select Drying Days on Calendar

Please note: This is a reminder question for the auditor only. This should not be rejected.

If drying is in progress or is now completed:

- Click the "Drying" button on the right edge of the screen.
- On the displayed calendar, click each drying day that is entered with either a reading or a note explaining why the reading was not taken. A clicked day will display with a blue background.
- If drying is complete, click the "Drying Complete?" button.
- Whether drying is complete or not, click the "Save" button. Your entry is not stored until you click "Save".



Click the push-pin icon to lock the calendar on your screen. A 24-hour period constitutes one (1) drying day



Customer Name: _____ Date of Loss: _____

Loss Address: _____

City: _____ State: _____ Zip: _____

Team Members: _____ Claim Number (if available): _____

SERVPRO® and its Franchisees strive to be the Premier Cleaning and Restoration Company.
 Please take a moment to complete the following questionnaire and help us evaluate how we're doing.

On a scale of 1 to 10, with 1 being "Strongly Disagree" and 10 being "Strongly Agree," how would you rate the following:

	Strongly Disagree										Strongly Agree
1. Overall, I am satisfied with the quality of repair provided by the SERVPRO® Franchise.	1	2	3	4	5	6	7	8	9	10	
2. The SERVPRO® Franchise completed work on schedule.	1	2	3	4	5	6	7	8	9	10	
3. The SERVPRO® Franchise's on-site personnel clearly explained the cleaning and restoration process throughout the duration of the job.	1	2	3	4	5	6	7	8	9	10	
4. The SERVPRO® Franchise contacted me in a timely manner.	1	2	3	4	5	6	7	8	9	10	
5. The SERVPRO® Franchise's clearly explained the estimate of the repairs needed.	1	2	3	4	5	6	7	8	9	10	
6. The SERVPRO® Franchise completed the inspection of the loss in a timely manner.	1	2	3	4	5	6	7	8	9	10	
7. SERVPRO® was easy to contact.	1	2	3	4	5	6	7	8	9	10	
8. I was confident in the knowledge and professionalism of the SERVPRO® Franchise's on-site personnel who performed the services at my home or place of business.	1	2	3	4	5	6	7	8	9	10	
9. The SERVPRO® Franchise's on-site personnel were prompt, courteous and attentive to my concerns.	1	2	3	4	5	6	7	8	9	10	
10. My overall experience with the repair process	1	2	3	4	5	6	7	8	9	10	
11. I am likely to recommend Allstate	1	2	3	4	5	6	7	8	9	10	

Customer, _____, acknowledges that the restoration / cleaning project for which the SERVPRO® Franchise has provided Emergency Services has been performed to the customer's satisfaction.

Signature: _____ Date: _____

Thank you for your feedback. We appreciate your patronage and look forward to serving your future cleaning and restoration needs.



NATIONAL ACCOUNTS

March 17, 2009

TO: All Franchises
FROM: Jeff Brinkman
National Key Accounts Manager
SUBJECT: State Farm Premier Service® Program
(Replaces Bulletins #3081-F, #2961-F, #2988-F, #3136-F, #3153-F,
#3204-D, #3377-F and #3410-F)

STATE FARM PREMIER SERVICE® PROGRAM

State Farm® is one of the world's largest insurance carriers, and insures more cars and homes than any other insurer in the U.S. State Farm has 24 Operations Centers in the United States and Canada. State Farm employs 68,000 people and more than 17,000 agents to service 80 million policies. State Farm is ranked number 32 on the Fortune 500 list of largest companies.

I'm pleased to announce that Servpro Industries, Inc. ("SERVPRO®") has entered into a new contract (the "Service Mitigation Provider Agreement") to perform mitigation services for State Farm Fire and Casualty Company effective January 20, 2009.

Only those Franchisees who are qualified to receive Select National Accounts referrals are eligible to participate in this Program (refer to the National Accounts Guidelines in Bulletin #3077-F, dated March 31, 2006). The Select National Accounts and Insurance Restoration Guidelines must be strictly adhered to when completing losses for this client, regardless of the source.

Only those Franchisees who have signed and submitted the *Select National Accounts Participation Agreement* can participate in this Program (refer to Bulletin #3261-F, dated June 21, 2007). Pursuant to the guidelines of the *Select National Accounts Participation Agreement*, SERVPRO® will post a copy of the State Farm "Flow-Through Agreement" to ServproNET®. The Franchisee acknowledges and agrees that its first acceptance of any job from State Farm Insurance binds the Franchise to comply with all the terms of this Flow-Through Agreement, as well as the Program requirements contained herein.

PLEASE READ THIS BULLETIN CAREFULLY. This Bulletin contains guidelines on the State Farm Premier Service® Program.

CONFIDENTIALITY CLAUSE: This Bulletin contains highly confidential and proprietary information. Reproduction and/or disclosure of the information contained herein to parties outside of SERVPRO®, including, but not limited to State Farm personnel, is strictly prohibited. Failure of the Franchise to comply with the confidentiality clause is a breach of the State Farm Premier Service® Service Mitigation Provider Agreement and grounds for termination from the Program. Please reference Exhibit 1 of this Bulletin for a comprehensive explanation of the confidentiality clause.

IMPORTANT NOTICE

SERVPRO® is working with State Farm in 2009 to implement the new Premier Service® Program in stages according to a strict State Farm Zone rollout schedule. Franchisees will be given the opportunity to attend a State Farm Rollout Meeting based on a rollout schedule to be announced at a later date. Attendance at Rollout Meetings is mandatory for participating Franchise Owners, one Franchise Crew Chief and one Franchise Administrative Person.

Franchisees will be given advance notice of the date their operating territory will become LIVE under the new Program Guidelines contained herein. Until the LIVE date, Franchisees must continue to service the State Farm Premier Service® Program under the guidelines contained in Bulletin #3081-F, dated March 31, 2006.

SERVPRO® has a strong collaborative business relationship with State Farm and is continuing its pursuit to be the Number One mitigation service provider for State Farm nationwide.

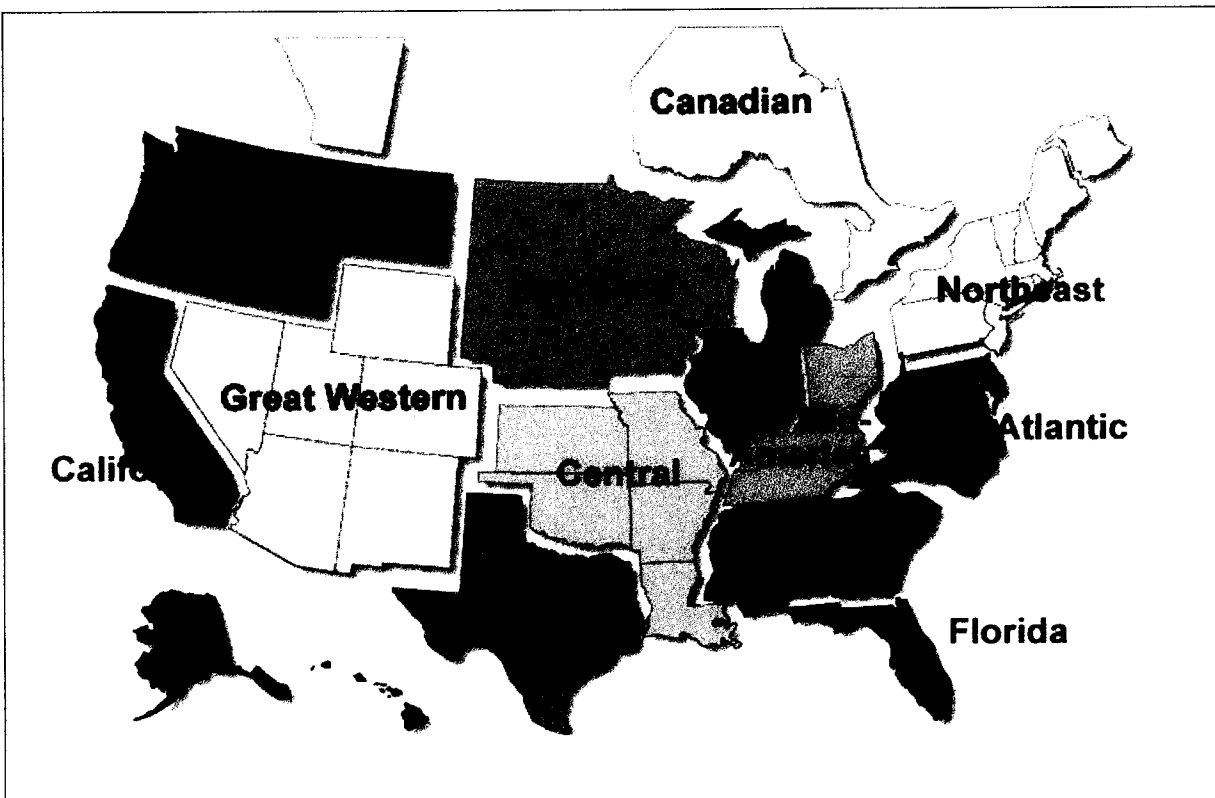


Figure 1: State Farm Zones

STATE FARM PREMIER SERVICE® PROGRAM

Customized Guidelines and Services

Mitigation Program Only: The State Farm Premier Service® Program (“SFPS”) is a Mitigation-Only Program. The Program includes water and fire/smoke mitigation services. Franchisee solicitation of construction or restoration services is strictly prohibited under the terms of this Program.

Authorization to Repair: Franchisees must obtain a signed State Farm *Authorization to Repair* form (“ATR”) from the insured before mitigation services are started. Franchisees should use the current version of the ATR (current version dated August 8, 2008) posted on *ServproNET*®. The signed ATR should be uploaded to *Xactimate*®. Franchisees should also obtain a signed SERVPRO® *Authorization to Perform Services* form. The *Authorization to Perform Services* form should not be uploaded in *Xactimate*®, but should be kept in the Franchisee job file.

Customer Information Brochure: Franchisee must provide the policyholder with the Customer Information Brochure – Water (#45560) or the Customer Information Brochure – Fire (#45561) at the time the ATR is signed.

Collect Deductible: Franchisees should collect the deductible between the time the ATR is signed by the insured and the completion of work¹. The insured is not required to make any payments until the ATR is signed.

First Notice of Loss: State Farm will make assignments electronically and through 1-800-SERVPRO®. Franchisee must contact the insured within one (1) hour of receipt of the assignment. Franchisee must arrive at the loss site within four (4) hours of receipt of the assignment or at an agreed upon time with the insured.

Estimating Software: Franchisees must use *Xactimate*®, the version currently approved by State Farm and communicated by National Accounts. As *Xactimate*® versions may be changed from time to time and Franchisees will be notified when an upgrade to a newer version is required. The current *Xactimate*® version approved for use by State Farm is 25.1.

Franchisees shall utilize the *Xactimate Sketch*® diagramming tool to draw the accurate room dimensions, including the actual measurements used as the basis for support of the calculations of the mitigation services.

Pricing Guidelines: Franchisees must comply with the State Farm pricing terms. New Equipment Discounts apply; see Program Equipment Discount section below.

¹ For any questions regarding the deductible, please contact the State Farm Claims Representative.

Approved Subcontract Work: SFPSP consists of mitigation services, including water mitigation, smoke and odor mitigation, general demolition activities associated with mitigation, but excluding general construction or structural services. However, Franchisee agrees to perform these additional services when authorized by State Farm (e.g., board up of structural premises for security).

Dry cleaning is to be performed only by a State Farm approved vendor. All dry cleaning should be referred through the State Farm Claims Representative. The State Farm Claims Representative must initiate the call to the State Farm approved vendor.

Photos: Franchisees are to provide a sufficient number of high-quality digital pictures/images adequately documenting the loss area(s), including at least one digital photograph of the front of the structure, one digital photograph of the source of damage, one digital photograph of the resulting damage in each affected room and a sufficient quantity of additional digital photographs of the damage to support the facts and circumstances of the policyholder loss, if applicable. Franchisee should upload all such digital images in *Xactimate*® as part of the applicable electronic job file.

Invoicing and Payment Procedures: Franchisee must provide the insured with a Final Estimate and then obtain a signed State Farm **Authorization to Pay** (“ATP”) form upon completion of services. For State Farm assignments in which the performing Franchise provides only mitigation services, the **Mitigation-Only Authorization to Pay** form may be executed upon completion of mitigation services and after the Homeowner/Policyholder has received a final estimate. State specific Mitigation-Only ATP forms are available on *ServproNET*®. The Mitigation-Only ATP should be uploaded to *Xactimate*®.

For State Farm assignments in which the performing Franchise provides structural repairs and/or mitigation services, the standard **Authorization to Pay** must be executed upon the completion of mitigation and restoration services, and after the Homeowner/Policyholder has received a final estimate. State specific standard ATP forms are available on *ServproNET*®. The ATP should be uploaded to *Xactimate*®.

The ATP form includes language regarding the mortgage lender’s ability to “inspect and verify services and/or repairs that have been completed.”

State Farm agrees to pay SERVPRO® within thirty (30) days of receipt of an accurate ATP signed by the policyholder. When the repair cost exceeds \$7,500, payment will be made jointly to the mortgagor and SERVPRO®. State Farm Bank and Wells Fargo Home Mortgage have agreed not to require their names be added to claim repair drafts if the conditions below are met:

- The mitigation claim is between \$7,500 and \$300,000.
[State Farm will continue to exclude the name of the mortgage company on the drafts when the entire claim is less than \$7,500 and require the name of the mortgage company on drafts when the entire claim is greater than \$300,000.]
- State Farm Bank or Wells Fargo must be the only mortgage lender on the policy.
- Claim must be handled through SFPSP.

- Policyholder must have signed an ATR and ATP.
- Repairs performed by the policyholder are less than \$3,000.
[The mortgage company will be included on all drafts if the insured performs more than \$3,000 worth of work on a claim that exceeds \$7,500, regardless of other work being performed by a contractor.]

Program Equipment Discount: Franchisee estimates are subject to a five percent (5%) minimum equipment discount on *Xactimate*® listed WTR equipment as set forth in Exhibit 3. SERVPRO® will calculate the applicable equipment discount on each uploaded file and notify the Franchisee via e-mail of the equipment discount submitted to State Farm for payment pursuant to the *Franchisee Notification of Equipment Discount* section set forth below. Payment will be made by State Farm to SERVPRO® pursuant to the *Invoicing and Payment Procedures* listed above less the deductible and equipment discount.

Franchisees should reference Bulletin #3462-F for the proper procedures to apply the equipment discount in *QuickBooks*®. **The SFPSP Equipment Discount is non royalty bearing.** The Program Equipment Discounts should be deducted from the total invoice for royalty calculation purposes. *Xactimate*® and SERVPRO® administrative fees are **not** allowed to be deducted from the total invoice for royalty calculation purposes.

The Program Equipment Discount is a requirement for participation as a preferred vendor in the SFPSP. **This discount is confidential information and should not be shared with the policyholder or State Farm personnel because the discounted rate differs among participating vendors.** Franchisees uncomfortable with the Program Equipment Discount may elect to not participate in this Program. Franchisees must make this election prior to accepting their first assignment in this Program by contacting their SERVPRO® Distributor.

Specialty Drying Equipment: Franchisee must notify a State Farm Claims Representative when specialty drying equipment is used. Prior approval by the Claims Representative is not required. Exhibit 4 sets forth a listing of specialty equipment requiring Claims Representative notification. Franchisee should note the reason for the use of specialty drying equipment and who was notified at State Farm of use in the *Xactimate*® estimate.

SERVPRO® Drying Workbook: The current version of the SERVPRO® Drying Workbook must be uploaded daily to the *Xactimate*® job file according to the following schedule:

First Upload: Within twenty-four (24) hours of assignment.

Subsequent Uploads: At twenty-four (24) hour intervals.

Final Upload: Within twenty-four (24) hours of job completion, not to exceed one-hundred sixty (160) hours.

For assignments received on Fridays after 12:00 PM local time, Franchisee has until 12:00 PM the following business day to upload the SERVPRO® Drying Workbook. For assignments received on Fridays before 12:00 PM local time, Franchisee should upload the SERVPRO® Drying Workbook by 12:00 PM Saturday.

Franchisee must perform the Equipment Validation in the SERVPRO® Drying Workbook. Franchisee must also complete the Inspection Report tab in the SERVPRO® Drying Workbook, which may be accomplished by copying and pasting the *Xactimate Sketch*® diagram (instructions are listed in Exhibit 5).

In-Place Drying: Franchisee must possess equipment to perform in-place (top-down) drying. Franchisee must perform in-place drying on all applicable clean water losses.² For clean water losses deemed applicable for in-place drying, but not serviced as such, documentation must clearly exist in the SERVPRO® Drying Workbook as to the reason and/or professional judgment justification for not performing in-place drying.

ITEL: If damaged carpet is not salvageable, Franchisee is required to submit a 12” square carpet sample to ITEL for testing. The Franchisee will send the carpet sample using State Farm Insurance Company prelabeled packages and UPS account. To order prepaid/preaddressed mailing kits from ITEL, call 800-890-ITEL (4835) or visit <http://www.itelinc.com>.

SERVPRO® Distributor Checklist: Exhibit 12 is attached as a quick guide checklist outlining Distributor responsibilities for this Program.

² Franchisees should reference the *Technical Advisory on “In-Place” Drying* in the IICRC S500 for information.

SERVPRO®/STATE FARM PSP® FRANCHISE PARTICIPATION STANDARDS

I. Financial

- A. Franchisee insurance coverage meets all requirements as described in the SERVPRO® License Agreement and the National Accounts Participation Agreement.
- B. Franchisee maintains a current Certificate of Insurance and Subcontractor Agreement (form #28548) on file for all subcontractors.

II. Training

- A. Franchisee is in compliance with all SERVPRO® training requirements.
- B. Franchisee has completed all training required by State Farm necessary to participate in the Program (see Section 19 in Other State Farm PSP® Participation Requirements).
- C. Franchisee regularly attends meeting venues, including business review visitations, area meetings, SERVPRO® regional meetings, SERVPRO® National Convention as well as meetings required by State Farm, to participate in the Program.
- D. Franchisee vehicles are maintained and marked in accordance with SERVPRO® vehicle appearance policy.
- E. Franchisee adheres to the SERVPRO® Uniform policy.

III. Customer Service

- A. Franchisee commits to 24-hour Emergency Response.
- B. Franchisee maintains compliance with State Farm PSP service standards, including:
 - a. Contact State Farm policyholder within one (1) hour of receipt of assignment.
 - b. On site at loss location within four (4) hours of receipt of assignment.
 - c. Return estimate to State Farm after inspection as prescribed by Program requirements.
- C. Franchisee resolves all customer service complaints following guidelines prescribed by State Farm.
- D. Franchisee utilizes most current version of all SERVPRO® and/or State Farm mandated software.

IV. Cost Control

- A. Franchisee adheres to program pricing and guidelines as prescribed by State Farm.
- B. Franchisee job file upload is complete, with all documents required by SERVPRO® and/or State Farm, including SERVPRO® Monitoring Report (form #28575) in the SERVPRO® Drying Workbook.

OTHER STATE FARM PSP® PARTICIPATION REQUIREMENTS

The following is a list of additional Franchise requirements under the State Farm Premier Service® Service Mitigation Provider Agreement:

1. Franchisees must meet the standards established by State Farm from time-to-time in order to participate in the State Farm Premier Service Program ("SFPSP").
2. State Farm has the right to reject the participation of any Franchisee in the SFPSP.
3. Franchisees must comply with the assignment process flow.
4. Franchisees may treat ten (10) square feet or less of mold. Any mold over ten (10) square feet must be reported to a State Farm Claims Representative and a separate agreement executed before mold remediation services are performed. IICRC guidelines must be followed at all time when remediating mold and performing other mitigation services.
5. Franchisees must inspect and assess the damage within four (4) hours of receipt of the assignment and itemize the cost to mitigate the damage.
6. Franchisees must utilize materials from SFPSP suppliers.
7. Franchisees must begin mitigation within four (4) hours of receipt of an assignment or upon an agreed time with the policyholder. Any repairs not completed within seven (7) days must be reported to the policyholder and State Farm.
8. Franchisees agree to allow SERVPRO® to deduct an administrative fee of \$15 from payments received from State Farm prior to disbursement to Franchisee. The administrative fee includes Xactware® transaction fees and SERVPRO® administrative fees.
9. Franchisees must not file liens against the policyholders' properties for any amounts due and owing by State Farm.
10. If Franchisee is hired by an SFPSP General Contractor, Franchisee must bill that contractor.
11. Franchisee must perform services in a professional, ethical manner in compliance with all laws and industry standards. Franchisees must ensure that all subcontractors perform services in the same manner.
12. Franchisees must warrant their work for five (5) years and materials for one (1) year.
13. Franchisee must resolve and correct all warranty issues within ninety (90) days or provide a refund for that portion of Franchisee's services.

14. Franchisee must conduct a background check on all of its employees or agents, including (a) a review of all felony and misdemeanor convictions in the county in which the worker has lived longest or where he/she currently resides; (b) an employment history for all employers for the past five (5) years or the three (3) most current employers, and (c) if the employee or agent will be operating a State Farm vehicle, a review of the individual's driving record and driver's license. Franchisee will not use the services of an individual who has been convicted of a felony involving dishonesty or a breach of trust or any crime of sexual assault, or been found civilly liable for any act of sexual harassment. Franchisees must certify to SERVPRO® the provisions of this section through submission of the *State Farm/SERVPRO® Mitigation Program Confirmation of Employee Background Checks* form (Exhibit 6).
15. Franchisees must annually have all employees sign a Code of Conduct statement certifying that employee has not been found civilly liable for any act of violence or sexual harassment (Exhibit 7). Franchisees will maintain each employee's signed *Employee Annual Code of Conduct* form. Franchisee will not use the services of an individual who has been convicted of a felony involving dishonesty or a breach of trust or any crime of sexual assault, or been found civilly liable for any act of sexual harassment. Franchisees must certify to SERVPRO® the provisions of this section through submission of the *Annual Code of Conduct Certification* form (Exhibit 8).
16. Franchisee agrees that any dispute under \$10,000 related to the State Farm Agreement may be subject to binding arbitration and that disputes over \$10,000 shall be subject to nonbinding arbitration.
17. Franchisee agrees to comply with a no-gift code of ethical conduct policy to State Farm employees. Franchisee will not offer gratuities of any type, directly or indirectly, to any State Farm employee, or State Farm agent, or State Farm policyholder or members of their respective families, that may be deemed by others to influence the actions or decisions of the recipient. Even nominal gifts can be inappropriate if used in a way which creates the impression that a certain vendor may be endorsed. Franchisee will notify SERVPRO® if any State Farm employee, or State Farm agent, or State Farm policyholder, or a member of their respective families solicit or accept from Franchisee any gratuities, including but not limited to the reduction or forgiveness of a State Farm policyholder – insurance policy amount deductible.
18. Franchisee must possess the appropriate drying equipment to perform in-place (top-down) drying.
19. Franchisee must have at least one (1) on-site technician who is trained in water restoration with a certificate from SERVPRO® for completion of its Employee Certification Training Program ("ECTP") or a certificate from IICRC for completion of its Water Restoration Training ("WRT") Program.
20. Franchisee must accurately report and verify the category and classification of water losses as defined by the IICRC S500.

21. Franchisee must accurately report and regularly update their SERVPRO® Business Resume, including information regarding their in-place drying equipment resources and employee training certification status.
22. Franchisee should regularly check job assignment upload status in the State Farm Monitor.
23. Servpro Industries, Inc. has agreed to provide State Farm with a job file audit of each *Xactimate*® estimate prior to submitting the job file for payment processing. SERVPRO® Distributors are assisting in this audit requirement. Franchisees not capable of uploading accurate job file in a timely manner as set forth in the SERVPRO/State Farm PSP File Upload and Audit Requirements are subject to suspension from the SFPSP for a minimum of thirty (30) days or until the Franchisee demonstrates appropriate changes have been made within their organization to accommodate Program compliance. Franchisees non-compliant with Program guidelines will receive a minimum thirty (30) day suspension from receiving State Farm assignments. SERVPRO® Distributors have the authority to suspend Franchisees from receiving State Farm assignments. SERVPRO® Distributors also have authority to disqualify a Franchisee from participating in the SFPSP if the Distributor believes the Franchisee is incapable of meeting Program guidelines.
24. SERVPRO® will be performing on-site Reinspection Services for State Farm through a random sampling of specific State Farm jobs. A copy of the Reinspection form is attached as Exhibit 11. Franchisees failing Reinspection will be suspended from the SFPSP for a minimum of thirty (30) days or until internal control procedures and job processes have been modified within the Franchise to address the cause of the Reinspection failure.

SERVPRO/STATE FARM PSP® FILE UPLOAD AND AUDIT REQUIREMENTS

Franchisees must timely upload the PSP® job file to *Xactimate*® based upon the following schedule:

Within twenty-four (24) hours of assignment (“Initial Upload”):

- The date and time contact was made with the insured (apply exceptions as needed).
- The date and time of on-site arrival (apply exceptions as needed).
- SERVPRO® Drying Workbook.
 - File name should be Dry 1_Customer Name or Dry 1_State Farm Claim Number
(example: Dry 1_SMITTH or Dry 1_12M345678).
- **For assignments received on Fridays after 12:00 PM local time, Franchisee has until 12:00 PM the following business day to upload the Initial Upload. For assignments received on Fridays before 12:00 PM local time, Franchisee has until 12:00 PM Saturday to upload the Initial Upload.**

Within forty-eight (48) hours of assignment:

- Signed State Farm *Authorization to Repair* form.
- *Xactimate Sketch*®.
- Digital photographs of affected areas and structure:
 - Front of Structure.
 - Source of Damage.
 - Resulting Damage.
- Updated SERVPRO® Drying Workbook with current day’s readings.
 - File name should be Dry 1_Customer Name or Dry 1_State Farm Claim Number
(example: Dry 1_SMITTH or Dry 1_12M345678).
 - Franchisee must delete the original Drying Workbook file and upload the updated Drying Workbook.
 - Daily uploads will occur until the affected area(s) are dry.

Each subsequent twenty-four (24) hours:

- Updated SERVPRO® Drying Workbook with current day’s readings.
 - File name should be Dry 1_Customer Name or Dry 1_State Farm Claim Number
(example: Dry 1_SMITTH or Dry 1_12M345678).
 - Franchisee must delete the original Drying Workbook file and upload the updated Drying Workbook.
 - Daily uploads will occur until the affected area(s) are dry.


Within one-hundred sixty (160) hours of assignment:

- Final *Xactimate*® Estimate.
- Signed *Authorization to Pay* form.
- Final SERVPRO® Drying Workbook.
 - File name should be Dry 1_Customer Name or Dry 1_State Farm Claim Number
(example: Dry 1_SMITTH or Dry 1_12M345678).

Mitigation Summary Sheet: SERVPRO® will submit a Mitigation Summary Sheet to State Farm when the Corporate job file audit is complete. The Mitigation Summary Sheet consists of data compiled from the *Xactimate*® job file and the SERVPRO® Drying Workbook. Submission of the Mitigation Summary Sheet will initiate the payment process with State Farm. Franchisees should not fax documentation, including the ATP, to the State Farm Claims Representative for payment purposes. Payment will be based upon the Mitigation Summary Sheet only, an example of which is shown below:

Mitigation Summary																																							
Policyholder	John Sample		Date of Loss	3/4/2009	Claim #																																		
Category of Water	1		Class of Water	2																																			
Days to achieve dry standard	2		Rooms Affected	1																																			
Drying Zones	0		Total SF (affected area)	80																																			
Total CF (affected area)	640																																						
Comments																																							
Information Upload																																							
<input checked="" type="checkbox"/> Final Estimate <input checked="" type="checkbox"/> Authorization to Repair <input checked="" type="checkbox"/> Authorization to Pay <input checked="" type="checkbox"/> Sketches <input checked="" type="checkbox"/> Photos <input checked="" type="checkbox"/> Psychrometric Drying Report																																							
Payment Summary																																							
Mitigation Estimate	\$815.38																																						
Deductible	\$0.00																																						
Discount	\$10.29																																						
Mitigation Payment	\$805.09																																						
Equipment Usage Chart																																							
<table border="1"> <caption>Equipment Usage Chart Data</caption> <thead> <tr> <th>Date</th> <th>Air Mover (Quantity)</th> <th>Dehumidifier (Quantity)</th> </tr> </thead> <tbody> <tr><td>02-28</td><td>2</td><td>1</td></tr> <tr><td>03-01</td><td>2</td><td>1</td></tr> <tr><td>03-02</td><td>2</td><td>1</td></tr> <tr><td>03-03</td><td>0</td><td>0</td></tr> <tr><td>03-04</td><td>0</td><td>0</td></tr> <tr><td>03-05</td><td>0</td><td>0</td></tr> <tr><td>03-06</td><td>0</td><td>0</td></tr> <tr><td>03-07</td><td>0</td><td>0</td></tr> <tr><td>03-08</td><td>0</td><td>0</td></tr> <tr><td>03-09</td><td>0</td><td>0</td></tr> </tbody> </table>							Date	Air Mover (Quantity)	Dehumidifier (Quantity)	02-28	2	1	03-01	2	1	03-02	2	1	03-03	0	0	03-04	0	0	03-05	0	0	03-06	0	0	03-07	0	0	03-08	0	0	03-09	0	0
Date	Air Mover (Quantity)	Dehumidifier (Quantity)																																					
02-28	2	1																																					
03-01	2	1																																					
03-02	2	1																																					
03-03	0	0																																					
03-04	0	0																																					
03-05	0	0																																					
03-06	0	0																																					
03-07	0	0																																					
03-08	0	0																																					
03-09	0	0																																					
Humidity Chart																																							
<table border="1"> <caption>Humidity Chart Data</caption> <thead> <tr> <th>Date</th> <th>Outside (GPP)</th> <th>Unaffected Room (GPP)</th> <th>Dining Room (GPP)</th> </tr> </thead> <tbody> <tr><td>02-28</td><td>35</td><td>45</td><td>45</td></tr> <tr><td>03-02</td><td>65</td><td>50</td><td>45</td></tr> </tbody> </table>							Date	Outside (GPP)	Unaffected Room (GPP)	Dining Room (GPP)	02-28	35	45	45	03-02	65	50	45																					
Date	Outside (GPP)	Unaffected Room (GPP)	Dining Room (GPP)																																				
02-28	35	45	45																																				
03-02	65	50	45																																				
Page 1 of 1																																							
3/5/2009 9:59:08 AM																																							

Franchisee Notification of Equipment Discount: SERVPRO® will notify the Franchisee via e-mail when the Corporate final job audit is completed and the Mitigation Summary Sheet is produced.

	To...	[Franchise email address here]
	Cc...	
	Bcc...	State Farm Equipment Discounts
Subject:		Equipment Discount for State Farm Job [claim number here]


Franchise: 1234 – Franchise Name here
 Job: 123456 – 23F456789 Customer Name here

The following equipment discount is applied to this job per the State Farm agreement:

Mitigation Estimate: \$2000.00
 Equipment Discount: \$100.00
 Discounted Estimate: \$1900.00
 Deductible: \$500.00
 Mitigation Payment: \$1400.00

Click [here](#) to view the equipment discount details found in the State Farm Job Monitor on ServproNET.

SERVPRO® will also display the equipment discount in the State Farm Monitor. Franchisee may click on the discount amount to display equipment discount line item details.



State Farm Monitor - Completed Jobs

[Home](#)
[Logout isweatman](#)

3/4/2009 12:45:39 PM

Loss State

All States

▼

FNOL Date Between:

1/1/2008

...

and

3/5/2009

...

▶▶

Refine Analysis

Franchise		Job			Payments			Job File Upload Audit Stages (Time is Mountain Standard)		
999	Anytown	123456 43E123456	Peterson, John Los Angeles, CA	View	\$2,181.29	\$78.68	\$0.00	3/10/2009 10:11 AM	3/11/2009 2:29 PM 29 Hrs	3/12/2009 11:07 AM 50 Hrs
999	Anytown	123457 43E123457	Andrews, Joseph Los Angeles, CA				\$0.00	3/10/2009 10:11 AM	3/11/2009 2:29 PM 29 Hrs	3/12/2009 11:07 AM 50 Hrs

Click to display discounted equipment line item details.

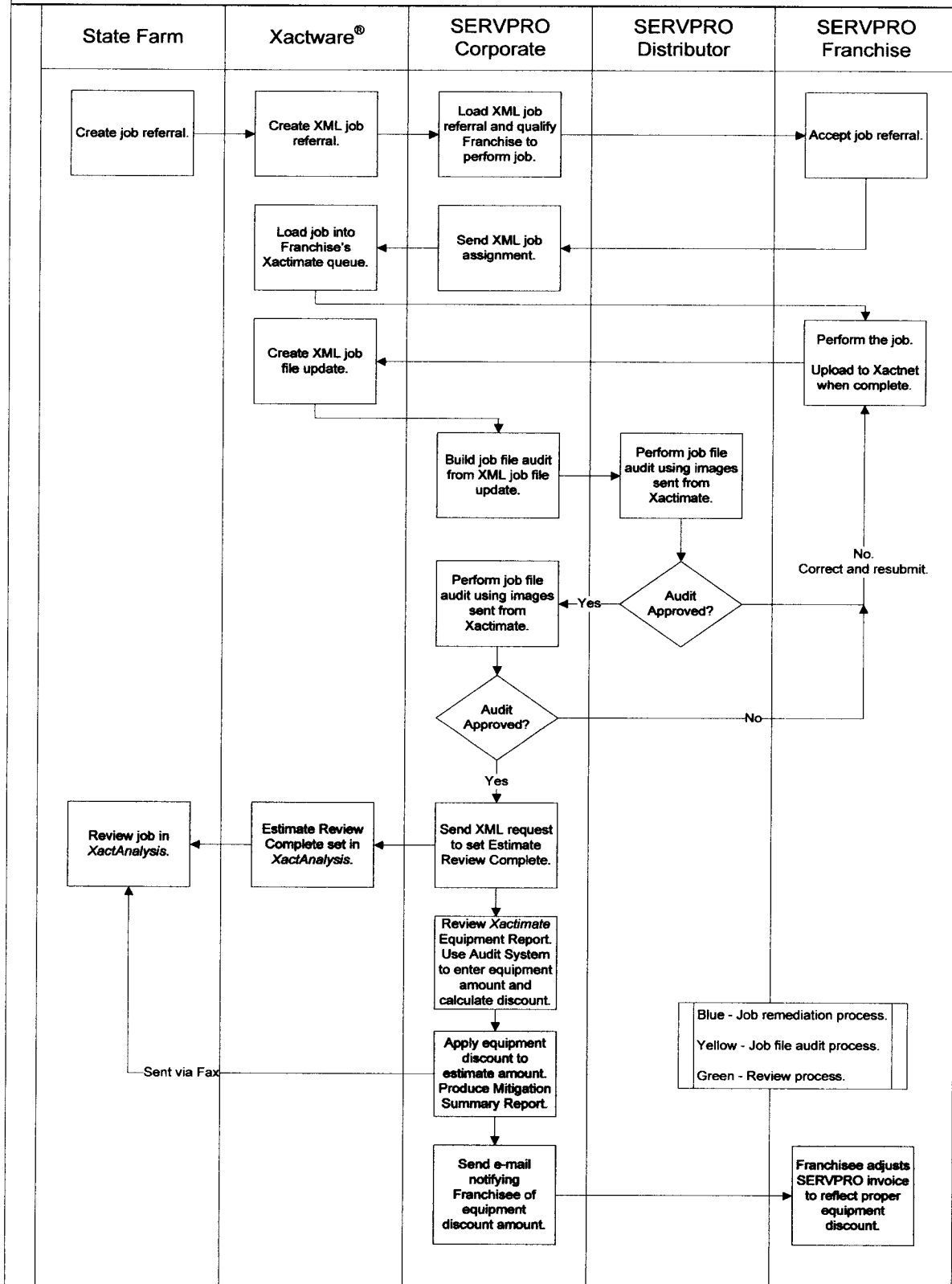
Click to display discounted equipment line item details.

Distributor and Corporate Audit: All SFPSP job files will be audited after the initial and subsequent *Xactimate*® uploads by the Franchisee Distributor. SERVPRO® Corporate will perform a final audit of all SFPSP job files following the Distributor audit. Once the job file is accepted through the Audit System at SERVPRO® Corporate, SERVPRO® will submit the *Xactimate*® job file and State Farm Mitigation Summary Sheet to State Farm to begin payment processing.

A current list of State Farm audit questions is set forth in Exhibit 9. SERVPRO® will maintain a current list of State Farm audit questions on *ServproNET*® in accordance with the changing audit requirements of the Program.

State Farm Reinspections: Distributors will perform on-site inspections of Franchisee's State Farm assignment(s) and complete reinspection documentation to be submitted to SERVPRO®. Distributors should reference Bulletin #3460-D for the proper procedures to perform a State Farm Reinspection. A copy of the Reinspection form is attached as Exhibit 11.

SERVPRO® Job Workflow for State Farm Equipment Discount



EXHIBITS

Exhibit 1.....	Confidentiality Clause
Exhibit 2.....	Authorization Agreement for Automatic Deposit ³
Exhibit 3.....	Program Equipment Discount
Exhibit 4.....	Specialty Drying Equipment Notification Requirements
Exhibit 5.....	Instructions to Paste <i>Xactimate Sketch</i> ® in Drying Workbook
Exhibit 6.....	State Farm®/SERVPRO® Mitigation Program Confirmation of Employee Background Checks ⁴
Exhibit 7.....	Employee Annual Code of Conduct Certification ⁵
Exhibit 8.....	Annual Code of Conduct Certification ⁶
Exhibit 9.....	State Farm Audit Questions
Exhibit 10.....	Guidelines for Joining State Farm's Premier Service® Program
Exhibit 11.....	State Farm®/SERVPRO® Reinspection Report
Exhibit 12.....	SERVPRO® Distributor Checklist

³ Required only of Franchisees joining the Premier Service® Program for the first time. Form must be submitted to SERVPRO® Key Accounts Department.

⁴ Required only of Franchisees joining the Premier Service® Program for the first time. Form must be submitted to SERVPRO® Key Accounts Department.

⁵ Required of all Franchisees. Form must be kept on file at Franchisee's office.

⁶ Required of all Franchisees. Form must be submitted to SERVPRO® Key Accounts Department.

Exhibit 1

CONFIDENTIALITY CLAUSE

The State Farm Premier Service® Service Mitigation Provider Agreement (the “Agreement”) has a strict confidentiality clause all Franchisees must abide by. Failure to comply is a breach of this Agreement.

The contractual relationship is not exclusive and does not guarantee any amount of work. When marketing to State Farm agents or claims personnel, do not make any reference to the Agreement, as this State Farm Premier Service® Program (“SFPSP”) is a corporate initiative, and State Farm has specific communication protocols.

Franchisees will not disclose the terms of this Agreement and/or other confidential information of State Farm and/or third parties. Franchisees will not use a third party’s information for its own benefit or the benefit of any person other than State Farm.

State Farm may not be referred to in any correspondence to vendors nor may the name State Farm be used in any marketing materials. Do not create any marketing or advertising materials concerning the SFPSP. Violation of the confidentiality clause is a very serious matter. In the event any Franchisee or their employee violates this Agreement, they will be immediately removed from the Program. Following is an excerpt of Section 2.4 of the Agreement:

“Other than in communications with the SFPSP Contractors that participate or seek to participate in SFPSP, SHC and SERVPRO® agree that each party shall not disclose or otherwise identify State Farm or any of its subsidiaries or affiliates orally or in any of SERVPRO’s advertising publications, or other media which is displayed or disseminated to customers, potential customers or other parties.”

“SERVPRO® further agrees that it will obtain agreement from each of its Mitigation Franchisees not to disclose or otherwise identify State Farm or any of its subsidiaries or affiliates orally or in any of SERVPRO’s advertising publications, or other media which is displayed or disseminated to customer, potential customers or other parties.”

Exhibit 2

AUTHORIZATION AGREEMENT FOR AUTOMATIC DEPOSIT

Please complete the following Authorization Agreement which will be used for electronic payment of State Farm claims directly to your checking account. **Please tape a voided check to this form.**

Franchise Name(s): _____

Franchise Number(s) _____

Bank Name: _____ **Branch:** _____

City: _____ **State:** _____ **Zip:** _____

Bank Transit/ABA Number: _____ **Account Number** _____

Authorized Signature: _____ **Date:** _____

***Notification of payment will be sent to the Franchisee's e-mail address. Please write in the email address you wish to receive these notifications.**

On behalf of the Account Holder, I hereby authorize Servpro Industries, Inc. (the "Company") to make periodic, direct deposits of funds into the above referenced Bank Account at the above referenced Bank, and to make any withdrawals from such Bank Account as are necessary to correct any incorrect deposit by the Company. On behalf of the Account Holder, I instruct the above referenced Bank to accept and honor such deposits and withdrawals by the Company without any responsibility for the correctness of any such deposit or withdrawal. I may cancel this Authorization at any time by providing the Company with written notice at the below address, and by providing the Bank with written notice. Any such cancellation will be effective as to the Company after the Company has received the notice and had a reasonable amount of time to act upon it. Any deposits or withdrawals to or from the Bank Account by the Company up until such time shall be valid under this Authorization.

Exhibit 3

PROGRAM EQUIPMENT DISCOUNT

The following *Xactimate*® line items will be subject to the State Farm equipment discount:

WTRDHM	Dehumidifier unit (up to 10 gal./day capacity)
WTRDHM>	Dehumidifier unit - Large (up to 15 gal./day capacity)
WTRDHM>>	Dehumidifier unit - Ex. large (up to 30 gal./day capacity)
WTRDHMAC	Dehumidifier w/environmental control, incl. ducting - 24 hr.
WTRDHMD	Dehumidifier - desiccant - portable - 325 cfm
WTRDHMD-	Dehumidifier - desiccant - portable - 140 cfm
WTRDHMD+	Dehumidifier - desiccant - portable - 900 cfm
WTRDHMD15K	Dehumidifier - desiccant - 8500-15000 cfm
WTRDHMD2K	Trailer-mounted dehumidifier - 2000 cfm
WTRDHMD3K	Dehumidifier - desiccant - 3000-4000 cfm
WTRDHMD5K	Dehumidifier - desiccant - 4500-7500 cfm
WTRDRY	Standard air mover, 0.5 HP or less
WTRDRY+	Axial fan, 0.25 HP, air mover
WTRDRY++	Vane axial fan, 1 HP, 12" air mover
WTREXT	Water extraction equipment
WTRFURN	Drying furnace - indirect fired - 85 kBtuh
WTRFURN15	Drying furnace - indirect fired - 150 kBtuh
WTRFURN25	Drying furnace - indirect fired - 250 kBtu
WTRFURN40	Drying furnace - indirect fired - 400 kBtu
WTRHEAT	Hydronic boiler/power unit - trailer mount - 200 BTU
WTRHEAT>	Hydronic boiler/power unit - trailer mount - 250 BTU
WTRHEATA	Heat drying system - ducted air - 2200+ CFM
WTRHEATEX	Thermal exchanger w/hose - 50 BTU
WTRHEATEX>	Thermal exchanger w/hose - 80 BTU - built-in air mover
WTRHEPAVAC	Vacuum w/HEPA filter (back pack, cannister, or upright)
WTRNAFAN	Negative air exhaust fan - up to 600 cfm (per day)
WTRNAFAN>	Negative air exhaust fan - 700-1800 cfm (per day)
WTRPUMP	2" submersible pump and hose
WTRWALL	Wall cavity drying system - Injectidry #HP60; accessories
WTRWALLD	Wall cavity drying system - TurboVent system (per day)
WTRWFD	Wood floor drying system - Ducted type (per day)
WTRWFDA	Wood floor drying system (air mover) - ducted (per day)
WTRWFI	Wood floor drying system - Injector type (per day)

Exhibit 4

SPECIALTY DRYING EQUIPMENT NOTIFICATION REQUIREMENTS

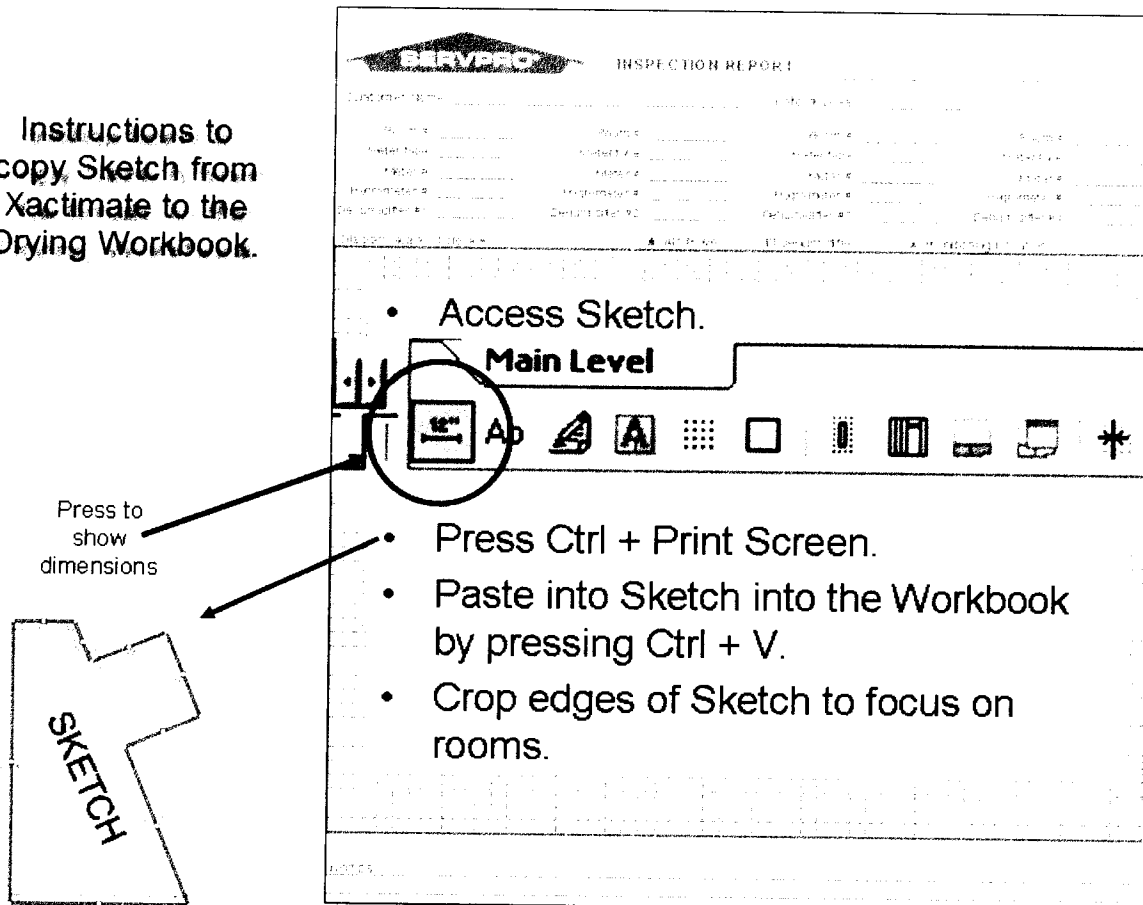
The following water remediation equipment found in *Xactimate*® requires notification to the Claims Representative of the equipment use:

Xactimate Code	Description
WTRDHMAC	Dehumidifier w/environmental control, incl. ducting - 24 hr.
WTRDHMD	Dehumidifier - desiccant - portable - 325 cfm
WTRDHMD-	Dehumidifier - desiccant - portable - 140 cfm
WTRDHMD+	Dehumidifier - desiccant - portable - 900 cfm
WTRDHMD15K	Dehumidifier - desiccant - 8500-15000 cfm
WTRDHMD2K	Trailer-mounted dehumidifier - 2000 cfm
WTRDHMD3K	Dehumidifier - desiccant - 3000-4000 cfm
WTRDHMD5K	Dehumidifier - desiccant - 4500-7500 cfm
WTRDRY++	Vane axial fan, 1 HP, 12" air mover
WTRFURN	Drying furnace - indirect fired - 85 kBtu
WTRFURN15	Drying furnace - indirect fired - 150 kBtu
WTRFURN25	Drying furnace - indirect fired - 250 kBtu
WTRFURN40	Drying furnace - indirect fired - 400 kBtu
WTRHEAT	Hydronic boiler/power unit - trailer mount - 200 BTU
WTRHEAT>	Hydronic boiler/power unit - trailer mount - 250 BTU
WTRHEATA	Heat drying system - ducted air - 2200+ CFM
WTRHEATEX	Thermal exchanger w/hose - 50 BTU
WTRHEATEX>	Thermal exchanger w/hose - 80 BTU - built-in air mover
WTRHEPAVAC	Vacuum w/HEPA filter (back pack, canister, or upright)
WTRNAFAN	Negative air exhaust fan - up to 600 cfm (per day)
WTRNAFAN>	Negative air exhaust fan - 700-1800 cfm (per day)
WTRPOWD	Power distribution box
WTRPPPAPR	Power Air-Purifying Respirator system w/hood
WTRPPSAR	Supply Air Respirator system - 1-man syst. w/hood
WTREXTWPC	2" submersible pump and hose
WTRRM	Remote monitoring sys. w/up to 10 sensors (per 24 hr prd)
WTRRMG	Remote monitoring - additional gateway (per 24 hr period)
WTRRMS	Remote monitoring - each additional sensor (per 24 hr prd)
WTRTESTATP	ATP Luminometer for bio-contaminant testing
WTRWALL	Wall cavity drying system - Injectidry #HP60; accessories
WTRWALLD	Wall cavity drying system - TurboVent system (per day)
WTRWFD	Wood floor drying system - Ducted type (per day)
WTRWFDAD	Wood floor drying system (air mover) - ducted (per day)
WTRWFI	Wood floor drying system - Injector type (per day)

Exhibit 5

INSTRUCTIONS TO PASTE *XACTIMATE SKETCH*[®] IN DRYING WORKBOOK

Instructions to
copy Sketch from
Xactimate to the
Drying Workbook.



OR

1. Go to Sketch.
2. Select "Tools" from the Menu and choose "Export BMP".
3. Save to the Desktop.
4. Open the Drying Workbook.
5. Go to the Inspection Report Worksheet.
6. Select "Insert" from the Menu, choose picture and select the saved Sketch.

OR

Use the drawing tools in Excel to create your Inspection Report.

Exhibit 6

**STATE FARM[®]/SERVPRO[®] MITIGATION PROGRAM CONFIRMATION OF
EMPLOYEE BACKGROUND CHECKS**

I hereby confirm that a background check has been performed on all my employees or agents. None of the employees or agents who will be servicing State Farm claims have been convicted of a felony involving dishonesty or a breach of trust or any crime involving violence or sexual assault, or has been found civilly liable for any act of violence or sexual harassment. I agree to maintain documentation of background checks in compliance with the State Farm Agreement. I further agree to perform background checks on all additional employees hired by my Franchise.

Franchise Owner Name Printed: _____

Franchise Owner Signature: _____

Franchise Name: SERVPRO of _____

Date: _____

Exhibit 7

EMPLOYEE ANNUAL CODE OF CONDUCT CERTIFICATION

I, the undersigned employee of SERVPRO of _____, do hereby agree to and certify to State Farm and to Servpro Industries, Inc. that, in no event during the performance of services pursuant to the State Farm Premier Service® Program, have I been found civilly liable for any act of violence or sexual harassment.

Dated this _____ day of _____, 20____.

Employee Signature

Exhibit 8

ANNUAL CODE OF CONDUCT CERTIFICATION

I, the undersigned Franchisee, do hereby agree to and certify to State Farm and to Servpro Industries, Inc. the following:

- a. In no event in the performance of services pursuant to the State Farm Premier Service[®] Program will I use the services of an Individual who has been convicted of any crime involving violence or sexual assault, or who has been found civilly liable for any act of violence or sexual harassment; and
- b. I will annually have my employees sign a code of conduct statement certifying that they have not been found civilly liable of any act of violence or sexual harassment.

Dated this _____ day of _____, 20____.

SERVPRO OF _____:

By: _____ **By:** _____

Its: _____ **Its:** _____

By: _____ **By:** _____

Its: _____ **Its:** _____

Exhibit 9

STATE FARM AUDIT QUESTIONS

Below are the initial requirements for a State Farm file. State Farm may change and/or increase the requirements of the audit as the new Program is rolled out.

Requirement Title	Requirement Description
Drying Workbook – 24 Hour Upload	
Drying Workbook Labeled Appropriately	State Farm requires the Drying Workbook be filled out in its entirety and appropriately labeled (<i>i.e.</i> , Dry 1 [<i>-policy holder name or claim number</i>] for one workbook; Dry 2 for second workbook, if necessary).
Drying Workbook-Summary Cover Page	<p>The Drying Workbook Summary Cover Page must include, but not be limited to:</p> <ul style="list-style-type: none">• “SERVPRO of” Information.• Insurance Company Name and Claim Number.• Insured Information.• Date of Loss.• Category of Water.<ul style="list-style-type: none">• If clean water loss and in-place drying not used, Drying Workbook must contain very clear notes explaining the reason and/or professional judgment justification for not performing in-place drying.• Class of Water.• Affected Area Dimensions.• Notes identifying:• Dehus placed.• Deviations to the IICRC Standards.• Use of Professional Opinion or Judgment.• Reasons for not Monitoring on any given day.• Monitoring Reading Issues (<i>i.e.</i>, Negative Grain-Depression (G-Dep) calculations on the Drying Workbook are indicative of potential drying, monitoring equipment issues, unplugged equipment or secondary water source). <i>Consecutive negative G-Dep calculations must be explained.</i>• Any other pertinent information pertaining to drying process.
Chamber Worksheet	The Chamber Worksheet is completed properly (if an “odd-shaped room” exists, ensure the room is keyed in the Chamber Worksheet appropriately).
Validation of Drying Equipment	<p>Validate the following:</p> <ul style="list-style-type: none">• A Dehu Calculation Sheet is complete.• The Airmover Calculation Sheet is complete.

Requirement Title	Requirement Description
48-Hour Upload	
Inspection Report (refer to Drying Workbook)	<p>The Inspection Report must contain:</p> <ul style="list-style-type: none"> • Drawing of loss site. • Depicted migration of water. • Equipment location. • Monitoring locations. • Meter number (must be completed daily). • Meter type (must be completed daily). <p>To copy Sketch, use the following steps:</p> <ul style="list-style-type: none"> • Access Sketch. • Using mouse pointer, draw a box around the image to show the room dimensions. • Press Ctrl + Print Screen. • Paste Sketch into the Workbook by pressing Ctrl + V. • Crop the picture using the image toolbar.
Authorization To Repair	<p>State Farm requires an Authorization to Repair (state-specific form <i>only</i> for TX, CA or FL) containing the following information before work is commenced:</p> <ul style="list-style-type: none"> • Customer signature. • Repair Start Date. • Estimated Completion Date. <p>The scanned image must be labeled with an appropriate description (for example "ATR").</p>
Photos Uploaded	<p>State Farm requires digital photographs depicting the full extent of the damage from all affected areas (minimum of three digital photographs).</p> <ul style="list-style-type: none"> • Front of policyholder residence. • Source of damage. • Resulting damage in all affected rooms. <p>Photos must be labeled with the name of the room depicted.</p>
Sketch	State Farm requires a Sketch in <i>Xactimate</i> ®.

Requirement Title	Requirement Description
Daily Monitoring (refer to Drying Workbook)	<p>State Farm requires the Drying Workbook be uploaded every 24 hours.</p> <p>The Hygrometer Input and Moisture Content worksheets are completed with daily readings, identifying progress made from prior day as per the IICRC Standard. Notes must appear in the summary cover page if:</p> <ul style="list-style-type: none"> • Progress was not made on drying. The note must identify why no progress was made and what corrective action was taken. • Monitoring did not occur on any given day. The note must identify why monitoring did not occur. • Equipment usage table is completed for day one.
Daily Upload	
Daily Monitoring (refer to Drying Workbook)	<p>State Farm requires that the Drying Workbook be uploaded every 24 hours.</p> <p>The Hygrometer Input and Moisture Content worksheets are completed with daily readings, identifying progress made from prior day as per the IICRC Standard. Notes must appear in the summary cover page if:</p> <ul style="list-style-type: none"> • Progress was not made on drying. The note must identify why no progress was made and what corrective action was taken. • Monitoring did not occur on any given day. The note must identify why monitoring did not occur. • Equipment usage table is completed daily.
Final/Estimate Review	
Authorization to Pay	<p>State Farm requires the state specific Authorization to Pay-Mitigation Only form (state specific, revision date 6/20/08) signed by the customer after work is completed:</p> <ul style="list-style-type: none"> • The ATP must be labeled appropriately. • The ATP must not be dated the same date as the ATR unless a note is provided. <p>The scanned image must be labeled with an appropriate description (for example "ATP").</p>

Requirement Title	Requirement Description
Final Drying Workbook Analysis	<p>Analyze entire workbook ensuring:</p> <ul style="list-style-type: none"> • Readings support the structure is dry. • Equipment Usage table is completed. <p>The following fields in the Workbook are completed:</p> <ul style="list-style-type: none"> • Number of Days to Dry by Room/Chamber. • Date Job Dry.
Estimate-Price List	State Farm requires the checkpoint price list match the estimate pricelist used.
Estimate-Variation Report	<p>Any deviated line items on the Variation Report must include a note supporting the deviation.</p> <p>Any line items identified as "Not on Price List" must include the name of the State Farm approver.</p>
Estimate-Company Header	The Estimate Cover Page must include the Franchise's name, address and phone number at the top of the page.
Notes/Contact & Approval from State Farm	<p>All vendor notes contained in the Estimate must be concise, accurate and professional. For more detailed notes resembling an activity log, scan a job diary page into the <i>Xactimate</i>® file. Notes should be placed either in the opening statement or under the line item they pertain to. Notes should include, if pertinent:</p> <ul style="list-style-type: none"> • Dates. • Times. • Flooring type. • Deductible information. • Explanations for deviated line items. • Identification of State Farm approver for line items not on price list. • Prior Approval for: <ul style="list-style-type: none"> • Drying in excess of five days. • Notification of use of specialty equipment. <ul style="list-style-type: none"> • See Exhibit 4 of State Farm Bulletin. • Any deviations from IICRC Standards. • Line items for fuel surcharges. • Carpet and pad is removed from a class 1 water loss. • Documentation of defective product and/or workmanship which may have caused loss. • Any engineering expert. • Scientific or specialized technical experts. • Industrial Hygienist.

Requirement Title	Requirement Description
Estimate-O & P	Any Overhead and Profit (O & P) added to the Estimate must include a note with the name of the State Farm approver.
Estimate-No Supervisory Allowed in Estimate	Any supervisory charges in the Estimate must include a note with the name of the State Farm approver. Using the find feature, search for "Super" in the Estimate.
Estimate-Equipment Placement Comparison to Estimate	<ul style="list-style-type: none"> • The number of Dehus and Air Movers identified on the Calculation Sheets must match the number of Dehus and Air Movers the Franchise charged in the Estimate. If not, a note detailing why must be present. • The size of the Dehus identified in the notes section or Calculation Sheet of the Drying Workbook must match the size of the Dehus the Franchise charged in the Estimate. If not, a note detailing why must be present. • If PPD's on calculation sheet require use of a Dehu smaller than placed, Franchise may only charge for the size required.
Estimate-Labor Charges	<p>Labor charges should not be used when an <i>Xactimate</i>® category and selector code (line item) for that service is available.</p> <p>Tip: Use the <i>Search Feature</i> of <i>Xactimate</i>® to find the appropriate category and selector code for that service. For example, if cleaned furnace, rather than use a labor code, <i>search</i> for "clean furnace."</p>
Estimate-Normal Bus. Hrs Item vs. After Hrs	<p>State Farm requires the Estimate line items occurring during normal business hours to be separated from line items occurring after business hours. The date and time of monitoring, if after hours, must be identified under the category and selector code (WTR EQA).</p> <p>For example, equipment monitoring after business hours should be separate from equipment monitoring during normal business hours.</p>
1-4 Compliance	<p>State Farm requires Franchises to meet a 1-hour customer contact time and a 4-hour onsite arrival time. An exception reason must be selected from the State Farm Monitor if time stamps are not in compliance. Notes must be contained in the opening statement indicating the reason for noncompliance.</p> <p>💡 Please note if actual times have not been entered into <i>Xactimate</i>® when file was uploaded, the time will default to 1:00 AM. Please ensure Franchise has input the correct times.</p> <p>THE TIME STAMPS ON THE DETAILS TAB ARE ALL PRESENTED TO YOU IN CENTRAL STANDARD TIME.</p>

Exhibit 10

GUIDELINES FOR JOINING STATE FARM'S PREMIER SERVICE® PROGRAM

- A. A new Franchise must meet the following minimum requirements in order to be considered for the State Farm Premier Service® Program:
1. Successful completion of BDP steps 1 through 4 (i.e., Prerequisite Progress through Business Setup).
 2. Meet each of the 23 National Accounts Program Agreement (NAPA) requirements and be qualified to receive National Call Center leads.
 3. Qualify as a "Select" status Franchise, which requires special insurance endorsements in addition to NAPA qualifications.
 4. Purchase *Xactimate*® software.
 5. Complete one of the following types of *Xactimate*® training:
 - i. Instructor Led Online Training that includes Administrative, *Xactimate Sketch*® and Graphical Estimating functions of the software.
 - ii. Regional Training taught throughout the U.S. by an Xactware® certified trainer.
 - iii. *Xactimate*® Basic and Intermediate Scenario Training CD purchased from Xactware®.
 6. Ensure employees servicing State Farm policyholders are ECTP (Employee Certification Training Program) certified or WRT certified. See #19 under *Other State Farm PSP Participation Requirements*, and ensure this is reflected on the Franchisees Business Resume.
 7. Franchisee must possess the appropriate drying equipment to perform in-place drying. Franchisee must also ensure in-place drying equipment is reflected on the Franchisees Business Resume.
- B. The Distributor is to review with the Franchisee all requirements outlined in the State Farm Program Bulletin and any other State Farm related bulletins.
- C. The Distributor contacts SERVPRO® to recommend the Franchisee be added to the SFPSP after the Distributor verifies the new owner meets the above requirements and the new owner has submitted the following forms (These documents are available on *ServproNET*®, under National Accounts>Select National Accounts. Hard copies of these forms are also attached to this Bulletin):
1. ***Select National Accounts Participation Agreement*** (Bulletin #3261-F).
 2. ***State Farm/SERVPRO® Mitigation Program Confirmation of Employee Background Checks***: (The Franchisee must conduct a background check on all of its employees or agents. Franchisee will not use the services of an individual who has been convicted of a felony involving dishonesty or a breach of trust or any

crime involving violence or sexual assault, or been found civilly liable for any act of sexual harassment. The Franchise owner affirms that a background check has been performed on all employees and agents. The word “agents” include all subcontractors if such a person enters the premises of an insured at the direction of the Franchise owner). See Exhibit 6.

3. ***Authorization Agreement for Automatic Deposit Form.*** See Exhibit 2.

4. ***Code of Conduct Forms.***

i. ***Annual Code of Conduct Certification*** (see Exhibit 8). Franchise owner must sign this form and return to SERVPRO® Key Accounts Department.

ii. ***Employee Annual Code of Conduct Certification*** (see Exhibit 7). Please have each Franchise employee sign the referenced form. These forms should be kept on file at the Franchise office.

- D. Recommendations may be sent via e-mail to Delana Conger, Key Accounts Coordinator, at dconger@servpronet.com.
- E. Upon receipt of the Distributor’s e-mail request, the Key Accounts Department will submit a “notification of approval” to the SFPSP Zone Coordinator. This will include the zip codes that the new owner has on file in the SERVPRO® National Call Center.
- F. The Key Accounts Department will notify *Xactware*® of the newly approved Franchisee. Upon notification, *Xactimate*® will add this Franchise to their call list and will contact the Franchise to setup their State Farm profile within *Xactimate*®. *Xactware*® will then notify SERVPRO® once the setup is complete.
- G. The new Franchisee is eligible to receive SFPSP job leads from SERVPRO’s National Call Center upon completion of steps A through D above.
- H. Please contact the Key Accounts Department or your Trainer if you have questions regarding participation in the State Farm Premier Service® Program.

Exhibit 11

STATE FARM®/SERVPRO® REINSPECTION REPORT

Quality Control Worksheet							
Administrative Information							
Franchisee		Reinspector		Loss Location		Date of Action to SP	
Distributor		Claims No.		Reinspect Date		Estimate Amount	
Customer Name		Cause of Loss		Custom-Ord			
Person Interviewed		Type of Loss		Date of Loss			
Status							
Status of Job File		In Progress		Complete			
Status of Remediation		In Progress		Complete			
This Worksheet represents Reviewer findings at the time of inspection only.							
Estimate/Equipment Usage Verification				Yes		No	
1. Job Process Confirmation							
Does the estimate accurately reflect the mitigation performed by the Franchise?				<input type="checkbox"/>		<input type="checkbox"/>	
Comments (required if "no" answer).							
2. Accurate Dimensions							
All room dimensions were correct.				<input type="checkbox"/>		<input type="checkbox"/>	
Comments (required if "no" answer). If all measurements are not exact, you are to note the deviation in the comments section. Rounding up or down is not acceptable.							
3. Does the drying equipment on the attached calculation sheets match the equipment placed on site?				<input type="checkbox"/>		<input type="checkbox"/>	
Copy of Drying Workbook Calculation Sheets Must Be Attached							
Comments (required if "no" answer).							
4. Did the site conditions support the use of Specialty Drying Equipment?				<input type="checkbox"/>		<input type="checkbox"/>	
Comments (required if "no" answer).							
5. Pricing in Accordance with the State Farm Price List Guidelines.							
Was sales tax properly applied?				<input type="checkbox"/>		<input type="checkbox"/>	
Comments (required if "no" answer).							
6. Did the estimate exclude overhead and profit?				<input type="checkbox"/>		<input type="checkbox"/>	
Comments (required if "no" answer). For example, the State Farm unit price was changed with no explanation or deviation.							
7. Did the Franchise properly document line item deviations?				<input type="checkbox"/>		<input type="checkbox"/>	
Comments (required if "no" answer). For example, the State Farm unit price was changed with no explanation.							
8. Did the estimate exclude miscellaneous line item entries?				<input type="checkbox"/>		<input type="checkbox"/>	
Comments (required if "no" answer). Misc. codes are not approved under the SFPSP Program.							
9. Did the estimate exclude lump sum unit pricing?				<input type="checkbox"/>		<input type="checkbox"/>	
Comments (required if "no" answer). For example, the unit price should not be changed to include a lump sum amount.							

Customer Service		Yes	No
10. Did SERVPRO meet your expectations with the handling of the job? Comments (required if "no" answer).	<input type="checkbox"/>	<input type="checkbox"/>	
11. Was the remediation/restoration completed to your satisfaction? Comments (required if "no" answer).	<input type="checkbox"/>	<input type="checkbox"/>	
12. Were the Franchise Representatives courteous, professional, attentive and caring? Comments (required if "no" answer).	<input type="checkbox"/>	<input type="checkbox"/>	
13. Were the Franchise Representatives on time for all appointments set? Comments (required if "no" answer).	<input type="checkbox"/>	<input type="checkbox"/>	
14. If not, did they call to advise you they would be late? Comments (required if "no" answer).	<input type="checkbox"/>	<input type="checkbox"/>	
15. Did the Franchise provide a copy of the estimate before the ATP? Comments (required if "no" answer).	<input type="checkbox"/>	<input type="checkbox"/>	
16. Did the Franchise explain the scope of repairs to your satisfaction? Comments (required if "no" answer).	<input type="checkbox"/>	<input type="checkbox"/>	
17. Did the Franchise complete the remediation in a timely manner? Comments (required if "no" answer).	<input type="checkbox"/>	<input type="checkbox"/>	
18. Would you recommend this SERVPRO Franchise to a friend or colleague? Comments (required if "no" answer).	<input type="checkbox"/>	<input type="checkbox"/>	

Exhibit 12

SERVPRO® DISTRIBUTOR CHECKLIST

The following checklist is designed as a quick reference guide for Distributors. This list is not all-inclusive of the Program guidelines.

Franchisee Participation

- ☐ Qualify Franchisees for participation in the Program.
 - ☐ Complete “*Are You Ready*” Checklist
 - ☐ Update Business Resume
 - ☐ Complete Job Process module
 - ☐ Complete Drying Workbook module
 - ☐ Complete Approved Macros module
 - ☐ Attend State Farm Rollout Meeting
 - ☐ Complete employee training (ECTP, WRT and/or ASD)
 - ☐ Meet In-Place Drying requirements with equipment and training.
- ☐ Qualify new Franchisees for participation in the SFPSP (see Exhibit 10).
- ☐ Assist Key Accounts Department with zip code coverage questions.
- ☐ Assist Franchisees with In-Place Drying Equipment needs assessment and training.

Program Information

- ☐ Participate in Distributor “*Pre-Game Conference Call*” (scheduled before Rollout Meetings).
- ☐ Develop additional qualification requirements as required in Distributorship.
- ☐ Attend State Farm Rollout Meeting.
 - ☐ Assist the Key Accounts Department with Rollout Meeting logistics and RSVP list.

Program Performance

- ☐ Monitor Franchisee performance under the Program guidelines.
- ☐ Assist SERVPRO® with communication to Associates when applicable.

Audit and Reinspection Performance

- ☐ Timely audit Franchisee job files pursuant to the Program guidelines.
- ☐ Perform State Farm Reinspections pursuant to the requirements in Bulletin #3460-D.
- ☐ Assist State Farm and/or SERVPRO® with the research and resolution of any dispute issues.

- Unaffected room identifies thermo hygrometer readings for each day of job, unless there is no room unaffected. If no room unaffected, a note exists on the Summary Cover Page explaining why (i.e. home fully involved).
- All affected zones are identified with thermo hygrometer readings for each day of job.
- All dehumidifiers placed are identified with zone they are located in and identify thermo hygrometer readings for each day of job. If the cell under G-Dep turns yellow or red, re-take the reading to ensure accuracy.

Hygrometer Readings

HVAC thermo hygrometer readings are taken for each day of job or a notation of why they were not available must be present.

Moisture Content Readings

- All structural materials affected are identified in the moisture content section of the monitoring report. Any room containing equipment must have moisture content readings.
- Room, material item, % or points, and goals are identified for each material affected.
- Readings for all materials are identified for each day equipment is on site until the material is dry or removed.
 - Removal of structural material should be within 3 days.
 - Readings of walls taken at the area which is still wet must be identified in notes so that a reviewer who sees 100 every day until goal reached understands the walls were drying.
 - Hours of operation for each dehumidifier are identified by day.



Please note moisture contents greater the 16% on wood materials can support microbial growth.

Water Category / Class

The job file must properly document the **water category** and **water class** based on IICRC S500 definitions.

Explanation: The job file should speak for itself in providing information to document choice of water category and water class. Since most reviewers will not be on site, it is imperative the Franchise adequately support choice of category and class. An explanation in the Notes Section of the Drying Workbook should include information such as:

Water Category

- The water source.
- Any factors that caused the water to change category (time, lack of power, lack of air conditioning, elevated temperatures, previous water losses, maintenance/housekeeping, etc.).

Water Class

- Water migration (partial room, entire room(s), distance water wicked up walls, water entering from overhead).
- Any specialty drying situations (Class 4).

Of course, photographs will greatly assist the reviewer in confirming the water category and class.

Sketch Uploaded

Allstate requires a Sketch in Xactimate®.

Estimate

- An initial estimate must be present with line items and a dollar value.
- In Place drying is **not allowed**. Carpet must be disengaged and pad removed and disposed.
- **Allstate only allows the below guidelines for daily monitoring charges for drying equipment:**
 - 1-5 Units – 1 hour
 - 6-10 Units – 1.5 hours
 - > 10 Units – 2 hours
- After hours monitoring charge WTREQA **will** be allowed for **weekend** monitoring.
- For **weekday** monitoring the use of WTREQ must be used.

Price List

Allstate requires the checkpoint price list to match the pricelist used.



Search for **Match** indicator beside "Price List:" in Job Details.

1 and 4 Hour Compliance

Allstate requires the Franchise to meet a 1 hour customer contact time and a 4-hour onsite arrival time. Deviations from service level agreements must be notated in the **drying workbook** indicating the reason for non-compliance. An exception reason should also be selected from the Non-ScanER XL Monitor.



Please note if actual times have not been entered into Xactimate® when file was uploaded the time will default to 1:00AM. Please ensure Franchise has input correct times.


THE TIME STAMPS ON THE DETAILS TAB ARE PRESENTED IN CENTRAL TIME.

Select Drying Days on Calendar

Please note: This is a reminder question for the auditor only. This should not be rejected.

If drying is in progress or is now completed:

- Click the "Drying" button on the right edge of the screen.
- On the displayed calendar, click each drying day that is entered with either a reading or a note explaining why the reading was not taken. A clicked day will display with a blue background.
- If drying is complete, click the "Drying Complete?" button.
- Whether drying is complete or not, click the "Save" button. Your entry is not stored until you click "Save".

 Click the push-pin icon to lock the calendar on your screen. A 24-hour period constitutes one (1) drying day.

Final Upload Requirements

Photos Uploaded

Allstate requires digital photographs depicting the full extent of the damage from all affected areas.

- Front of policyholder residence
- Source of damage
- Resulting damage in all affected rooms
- Photos justifying CAT 3 charges (PPE in use) etc..
- If carpet is removed photos must be present to justify removal.


 Photos must be labeled with the name of the room the picture was taken in

Certificate of Satisfaction

An Allstate Client specific, signed, legible Certificate of Satisfaction must be uploaded and labeled appropriately.

Price List

Allstate requires the checkpoint price list to match the pricelist used.

 Search for **Match** indicator beside "Price List:" in Job Details.

Variation Report - Price Deviations

Any deviated line items on the Variation Report *must include a note* supporting the deviation.

Company Header

- The Estimate Cover Page must include the Franchise's name, address, phone number, and Tax Payer I.D. at the top of the page.
- **Estimator's name and Franchise's phone number must be included in the cover page.**
- **Franchise Number must be in the Header.**
- Allstate does **NOT** allow notes of **ANY** kind in the Opening Statement of the Estimate. All notes must be input into the Job Diary of the Workbook.

Drying Workbook Summary Page

Analyze the entire drying workbook to ensure the information entered supports the structure is dry and the entire workbook is completed in its entirety.

Summary Cover Page must be filled out with:

- Category of water is accurate and is properly supported with photos, drying workbook notes, and aligns with estimate line item entries.
- Email Address.
- Class of water is accurate and is properly supported with photos, drying workbook calculations, and aligns with estimate line item entries.
- Days to Dry.
- Date Job Dry.
 - **All information contained in the Notes Section should fully support actions taken on site and should support the scope of services in the estimate.**
 - **It is imperative the notes allow the job file to speak for itself since most reviews will be performed via desktop**

Flooring Saved

Was any floor covering saved? Select Yes or No.

- If "Yes" selected, enter total percentage of all floor coverings saved.
- If "Yes" selected, identify type of floor covering saved (if multiple types of floor coverings saved, choose "combination" from the drop-down list).

Mold/Asbestos

Mold

- If mold is found, details of amount of mold found must be uploaded into the Mold section of the Drying Workbook.
- If more than 10 square feet of mold is documented, this is outside the scope of the agreement and must have direction from the Allstate **I/T** documented in the file.

Asbestos

- Allstate will pay for asbestos testing where it is **required** by law.

Drying Zone Worksheet

- All rooms containing equipment or used for equipment calculations must be listed by zone.
- The number entered in the cell "Percentage of Room Affected" must align with the water migration shown on the sketch in the Inspection Report.

Total square footage of all areas on the drying zone worksheet should be less than or equal to the Grand Total square footage in the estimate

Inspection Report (see Drying Workbook)

- Zone/Room Name
- Meter type(s)
- Meter number(s)
- Hygrometer number(s)
- Dehumidifier identification
- Estimate Sketch or a floor plan depicting:
 - Equipment locations
 - Locations of moisture content readings
 - Rooms within a drying zone
 - Water migration

Calculation Sheets

Please note:

The dehu calculation sheet is to be filled out for the first day the dehus were placed.

The air mover calculation sheet is to be filled out for the first day the air movers were placed.

- Dehumidifier Quantity Calculation worksheet
 - Total PPD capacity of dehumidifiers placed must validate.

- Deviations from the IICRC Dehumidification Formula that result in non-validation must be thoroughly explained in the Notes Section of the Summary Cover Page.
- Desiccant Dehumidifier Quantity Calculation worksheet
 - Total CFM capacity of desiccant dehumidifiers placed must validate.
 - Deviations from the IICRC Dehumidification Formula that result in non-validation must be thoroughly explained in the Notes Section of the Summary Cover Page.
- Air Mover Quantity Calculation worksheet
- Total air movers placed must fall within the range of air movers calculated on the worksheet. Deviations that result in non-validation must be thoroughly explained in the Notes Section of the Summary Cover Page.

Equipment Usage Sheet

The number of dehumidifiers and air movers are keyed by day, by zone, based on what is left in structure when departing. The last day should read zero. Numbers on sheet match charges calculation sheets, monitoring report and charges in estimate.

Monitoring Report

- Dates and Times are present for each day of job.
- Technician initials are present for each day of job.
- Outside temperature is identified for each day of job.
- Unaffected room identifies thermo hygrometer readings for each day of job, unless there is no room unaffected. If no room unaffected, a note exists on the Summary Cover Page explaining why (i.e. home fully involved).
- All affected zones are identified with thermo hygrometer readings for each day of job.
- All dehumidifiers placed are identified with zone they are located in and identify thermo hygrometer readings for each day of job. If the cell under G-Dep turns yellow or red, re-take the reading to ensure accuracy.

Hygrometer Readings

HVAC thermo hygrometer readings are taken for each day of job or a notation of why they were not available must be present.

Moisture Content Readings

- All structural materials affected are identified in the moisture content section of the monitoring report. Any room containing equipment must have moisture content readings.
- Room, material item, % or points, and goals are identified for each material affected.
- Readings for all materials are identified for each day equipment is on site, until the material is dry or removed.
 - Removal of structural material should be within 3 days.

- Readings of walls taken at the area which is still wet must be identified in notes so that a reviewer who sees 100 every day until goal reached understands the walls were drying.
- Hours of operation for each dehumidifier are identified by day.



Please note moisture contents greater than 16% on wood materials can support microbial growth.

Water Category / Class

The job file must properly document the **water category** and **water class** based on IICRC S500 definitions.

Explanation: The job file should speak for itself in providing information to document choice of water category and water class. Since most reviewers will not be on-site, it is imperative the Franchise adequately support their choice of category and class. An explanation in the Notes Section of the Drying Workbook should include information such as:

Water Category

- The water source.
- Any factors that caused the water to change category (time, lack of power, lack of air conditioning, elevated temperatures, previous water losses, maintenance/housekeeping, etc.).

Water Class

- Water migration (partial room, entire room(s), distance water wicked up walls, water entering from overhead).
- Any specialty drying situations (Class 4).

Of course, photographs will greatly assist the reviewer in confirming the water category and class.

Equipment Placement Compared to Estimate

- The **number** of dehumidifiers and air movers on the Calculation Worksheets must match the number of dehumidifiers and air movers charged in the estimate. Any deviation must be fully explained in the Notes Section of the Drying Workbook.
- The **size** of the dehumidifiers identified in the Notes Section or Calculation Sheet of the Drying Workbook must match the size of the dehumidifiers the Franchise charged in the Estimate. If not, *a note detailing why* must be present.
- If the PPD capacity on the Refrigerant Dehumidifier Calculation Worksheet requires the use of

- a dehumidifier smaller than placed, Franchise *may only charge for the size required*.
- Equipment charges on estimate must be based on the actual run time of the piece of equipment.

Moisture Content Charges

- The number of days drying equipment is billed in a room should match the number of days the room took to reach its drying goal.
- Each room in the estimate containing drying equipment should have associated moisture content readings in the Drying Workbook.

Scope of Mitigation Services

Line item entries in the estimate should align with services expected in a mitigation environment.

Tear-out/Demolition

- The category of water and structural damage must justify removal of structural materials. The job file must properly document (with photos and notes) the need for removal of structural items.
- Any tear out (other than baseboards and carpet pad) requires the approval of the Allstate I/T and must be documented in the file.
- If demolition or tear-out is included within the line item entry's description, a separate demolition line item entry should **not** be used.
- DMOPU should be utilized only when appropriate.
- DMOPU may be appropriate for large losses.
- No textiles outside of an emergency load (2-3 bags of clothes) are allowed to be removed without I/T approval.

Estimate

- A correct and accurate estimate per client guidelines must be uploaded.
- In Place drying is **not** allowed. Carpet must be disengaged and pad removed and disposed.
- Allstate only allows the below guidelines for daily monitoring charges for drying equipment:
 - 1-5 Units – 1 hour
 - 6-10 Units – 1.5 hours
 - > 10 Units – 2 hours
- After hours monitoring charge WTREQA **will** be allowed for **weekend** monitoring.
- For **weekday** monitoring the use of WTREQ is required.
- If the estimate total for mitigation and restoration services (excluding construction) exceeds \$100,000 T & M may be used.

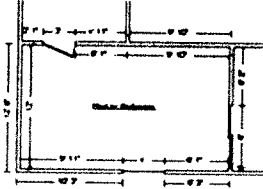
Estimate - Labor Charges

Labor charges should not be used when an Xactimate® category and selector code (line item) for that service is available.

Missing Walls

- Any opening, regardless of size, should be deducted from the wall, ceiling, floor calculations (square feet, lineal feet, etc.).
- Window/door/bathtub/cabinetry, etc... openings must be included in dimensions.

Not Deducted

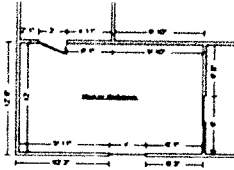


Master Bedroom

H

512.00 SF Walls	240.00 SF Ceiling
752.00 SF Walls & Ceiling	240.00 SF Floor
26.67 SY Flooring	64.00 LF Floor Perimeter
64.00 LF Ceil. Perimeter	

Deducted



Master Bedroom

Height: 8'

436.00 SF Walls	240.00 SF Ceiling
676.00 SF Walls & Ceiling	240.00 SF Floor
26.67 SY Flooring	55.00 LF Floor Perimeter
64.00 LF Ceil. Perimeter	

Window

4' X 4'

Opens into Exterior

Door

6' X 6' 8"

Opens into GAME_ROOM

Door

3' X 6' 8"

Opens into MASTER_BATH

Antimicrobial

No application of antimicrobial on CAT 1 losses.

Contents

- If the estimate contains line items for contents it must be a separate estimate sent directly to the adjuster.
- Contents cleaning must have I/T approval documented in the file.
- If a contents pack out is needed it must have I/T approval.
- If the estimate contains line items for contents manipulation **CONROOM** should be used appropriately for small, average, large, or extra-large rooms.

Specialty Equipment Usage

Any specialty equipment line items in the estimate must have I/T approval.



Examples of Specialty Equipment:

Heat Wagons, Duct Cleaning, foggers, Air Wolves, negative air scrubbers, HEPA vacuums, vapor sharks, drying mats, wall cavity drying machines, etc.

Base Service Charges

Base Service Charges should be set to Do Not Apply

Only **ONE (1)** of the below Base Service Charges will be allowed on mitigation estimate. Whichever one applies may be used but NOT both.

- Cleaning Remediation Technician
- Floor Cleaning Technician

If second trip was required to re-lay carpet then Flooring Installer may be used. The estimate must be notated with a date and time this service was performed to indicate it was a separate trip.

Minimum Charges

Minimum charges and Base Service Charges for the same trade should not be included in the estimate.

Overhead & Profit

- Xactware® pricing includes appropriate O & P.
- No additional O & P is allowed to be added for mitigation services.
- O & P on non-mitigation services for subcontractors **must be approved** by the I/T and documented in the file.
- If O & P is being charged on non-mit services, the invoice must be uploaded into the job file.

No Supervisory Allowed in Estimate

Supervisory charges are not allowed.

After Hours Service Fee

- The after-hours admin charge may be used once per estimate.
- The after-hours charge requires the dates and times of service to be notated under the line item in the estimate.
- After-hours service fee is based on **dispatch time** and is allowed between 5pm-8am local time, Monday – Friday or on **Weekends/Approved Holidays**.
- An Emergency service charge is **NOT** allowed for any claim that was received during normal business hours or where the Franchise performed service during normal business hours
- Individual after-hours line items are **NOT** allowed.

Exceptions to these requirements may be justified in extreme circumstances and only allowed with pre-approval from the Allstate I/T (Inside Technician).

Exhibit 1

THE HARTFORD PRICE LIST STATE TABLE

State	GROUP
AK	D
AL	A
AR	B
AZ	C
S CA	G
N CA	E
CO	C
CT	F
DC	F
DE	C
FL	C
GA	C
HI	F
IA	B
ID	B
IL	D
IN	C
KS	C
KY	B
LA	C
MA	F
MD	C
ME	E
MI	E
MN	C
MO	C

Boston = Group G

State	GROUP
MS	B
MT	B
NC	B
ND	C
NE	C
NH	E
NJ	F
NM	A
NV	C
NY	E
OH	D
OK	C
OR	C
PA	D
RI	C
SC	B
SD	A
TN	C
TX	C
UT	C
VA	C
VT	E
WA	D
WI	C
WV	C
WY	A

NYC Metro Area = Group G

Exhibit 2 THE HARTFORD/SERVPRO®RIS REPORT WORKFLOW

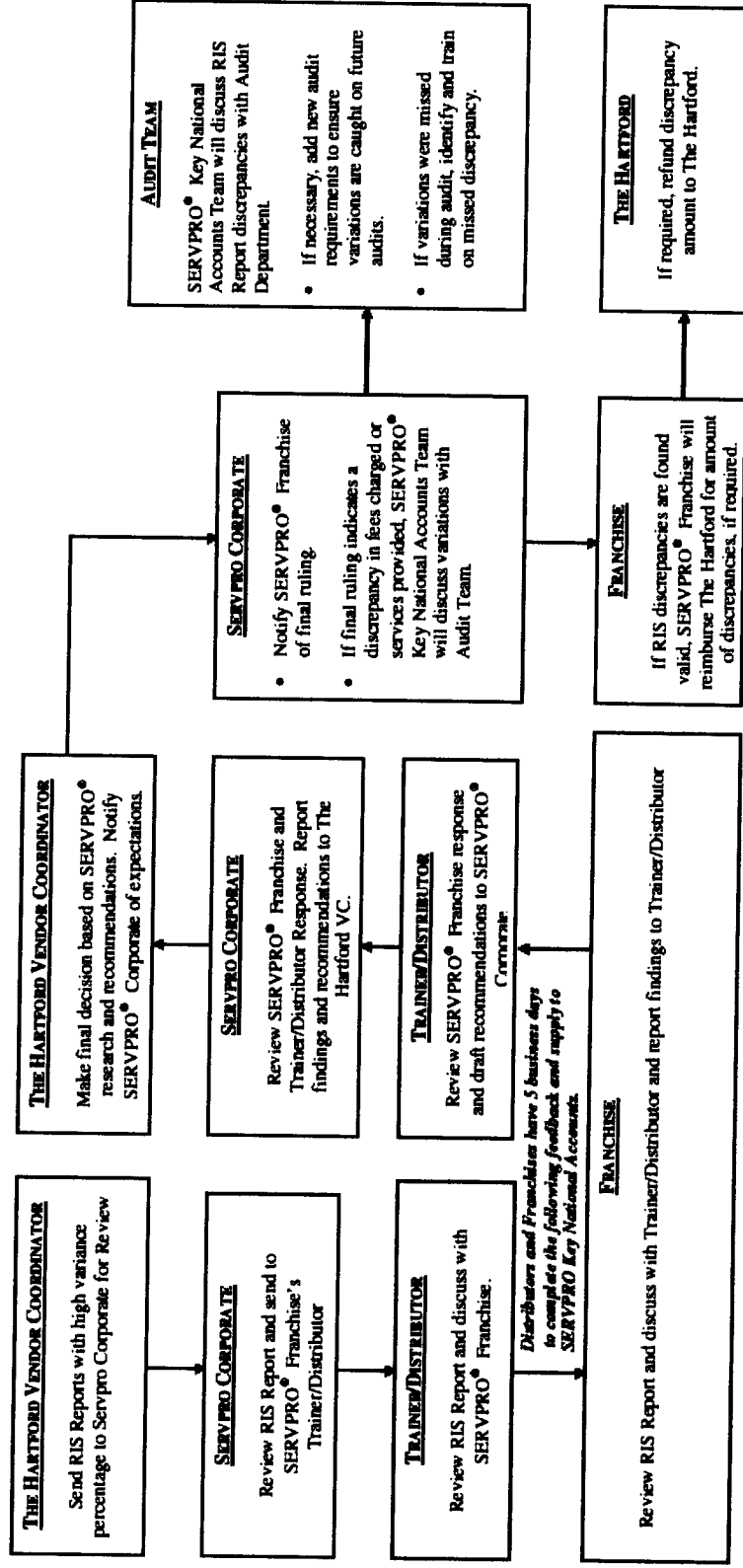


Exhibit 3

EAST- FARMINGTON REGION	CT, DE, DC, FL, GA, ME, MD, MA, NH, NJ, NY, NC, PA, RI, SC, VA, VT, WV
8 Farm Springs Road Farmington, CT 06032 Phone: 800-280-0555 Fax: 860-757-5687	
WEST – PHOENIX REGION	AK, AZ, CA, CO, HI, ID, MT, NV, NM, OR, UT, WA, WY
10010 North 25 th Ave Phoenix, AZ 85021 Phone: 800-811-4832 Fax: 877-538-7186	
CENTRAL – AURORA REGION	AL, AR, IL, IN, IA, KS, KY, LA, MI, MN, MS, MO, NE, ND, OH, OK, SD, TN, TX, WI
4245 Meridian Parkway Aurora, IL 60504 Phone: 800-989-7824 Fax: 630-682-6607	
CCO- Catastrophe Claims Operations	ALL STATES
4245 Meridian Parkway Aurora, IL 60504 Phone: 800-989-7824 Fax: 630-682-6607	



Exhibit 4

SERVPRO Review Queue Questions **The Hartford Job File Audit**

Photos

- A clear photo of the front of the structure or a legible scanned document explaining why a photo is not available must be present and labeled appropriately. If a photo of the front of the structure is not present there must be a notation of The Hartford adjuster who authorized upload with no photos.
- The file must contain clear photos of every room affected by the loss, labeled as such, depicting the full extent of the damage or notes explaining why pictures are not available.

Authorization

There must be a signed legible authorization to perform work (SERVPRO®Form # 28000 dated 03/2010) or a legible scanned document labeled appropriately explaining why the form is not available.

COS

There must be a signed, legible Certificate of Satisfaction (SERVPRO®Form # 28503) or a legible scanned document labeled appropriately explaining why the form is not available.

Customer Info

There must be a signed, legible Customer Information Form (SERVPRO®Form # 28500 and 28501) or a legible scanned document labeled appropriately explaining why the form is not available.

Invoice

There must be a legible invoice labeled appropriately.

Drying Workbook

There must be a **complete**, accurate Drying Workbook with every section filled out including readings for the affected area, unaffected area (if all areas are affected you must obtain moisture content goals from a previous drying project) and outside conditions reflecting temperature, RH, GPP.

- The Drying Workbook must contain goals for all possible wet materials in all affected areas being charged for in the estimate
- The Drying workbook must contain readings for every day monitoring was conducted and if no readings, a notation explaining why and when no readings are listed.
- The Drying Workbook must reflect progress on goals in the moisture content readings. If no progress is made, there must be a note explaining why.

Monitor Fees

The monitoring charges reflected on the estimate must match the number of days recorded in the Drying Workbook. For each day monitoring is charged on the estimate there must be monitoring readings on the report. If not, a monitoring fee for that day cannot be charged.

Equipment Usage

The number of pieces of equipment notated on the equipment usage chart in the drying workbook must match what is being charged in the estimate.

- Equipment decontamination charges on estimate are only allowed on a Cat 3 unless approved by an adjuster and documented in the file. Furthermore the pieces of equipment on form must match the decontamination charges in estimate.

Estimate Software

ScanER XL estimating software must be used.

Price list

The appropriate price list must be used.

Estimate

A correct and accurate estimate included per client guidelines must be present. For example, notes used to indicate # of air movers used for how many days, and air movers and dehumidifiers identified in the room which they were used.

Deviations

Deviations to pricing in the estimate must be explained and prior approvals by The Hartford must be documented.

General Labor

General Labor or Miscellaneous Line Items cannot be charged for any service listed on The Hartford Price List. General Labor can be charged with a note explaining the service provided when there is no line item in the price list covering that service.

Equip Charges

Charges for setup and take down of equipment are not allowed.

Qualifiers

The only qualifiers that may be contained in the estimate are "After Hours". If there are any other qualifiers in the estimate the name of adjuster who approved them must be present.



The Hartford considers regular business hours 8a-3p- Monday-Friday.

Service Fee

The estimate can only contain a service fee service call(s) if **NO** work was performed. If work was performed the only time the estimate should contain that particular line item is if a note is present identifying the name of The Hartford claim representative that gave approval for its use.

ESL

If the estimate exceeds the Emergency Service Limit outlined in the program bulletin it must be notated who at The Hartford gave the approval and it must be notated in the estimate and/or Job Summary.

Subcontract

If subcontract work was charged on the estimate the subcontractor invoices must be scanned into the electronic file. Furthermore approvals of the use of the subcontractor must be documented in the job file.

Debris

Debris removal cannot be charged by both the truckload and the bag. If debris removal is greater than twelve (12) bags franchise must charge by the truckload.

Multiple Min

Multiple minimums are not allowed for same service. For example, a minimum charge for removal of drywall may not be applied in multiple rooms. The charge may only be applied once in the room called job.

Specialty Equipment (combined w/ air scrubber)

- If charges for specialty equipment are present, photos of equipment must be present and adjuster approval is required and must be documented in the file.
- If charges for an air scrubber are present the loss must be a black water loss. The Hartford does not allow this charge on clean or gray water damages unless approved by the adjuster and approval and name of approver appears in the file.

O & P

Overhead and profit (O & P) applied to the portion of the estimate that does not pertain to mitigation must include a note identifying the name of the adjuster who approved O & P.

Supervisory

Supervisory/Admin charges are not allowed. If present, there must be a note under the line item identifying the name of the adjuster who approved them.

Insurance

No charges for "Insurance" are allowed.

Drying Days

If drying exceed 3 days notes indicating name of person granting approval, and date and time of contact must placed in the Job Summary.

ER Response Fee

The time stamps must meet the appropriate criteria for an Emergency Response Fee if one was applied to the estimate. No Regular Hour Emergency Response Fees are allowed.

1-4-8 (combined w/verbal briefing)

- Contact must be made within one business day of on-site arrival with a Hartford representative (i.e., insurance company adjuster). Verbal Briefing with the insured is not allowed.
- If 1 hour contact or 4 hour on site arrival was not met, there must be an acceptable exception applied.

Claim Number

There must be a valid insurance claim number entered into the FNOL in the E-Viewer under the insurance information section.

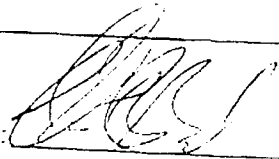
Page | 0

AGREED AND ACCEPTED

SPIRIT COMMUNICATIONS

SERVPRO

South Carolina Telecommunications Group Holdings
LLC, d/b/a Spirit Communications

By Its
Authorized Agent: 

By Its
Authorized Agent: _____

Print Name: Thomas B. Burich

Print Name: _____

Title: President

Title: _____

Date: 12/18/12

Date: _____